

KEEGAN WERLIN LLP

ATTORNEYS AT LAW
265 FRANKLIN STREET
BOSTON, MASSACHUSETTS 02110-3113

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(617) 951-1400

TELECOPIERS:
(617) 951-1354
(617) 951-0586

September 19, 2005

Mary L. Cottrell, Secretary
Department of Telecommunications and Energy
One South Station
Boston, MA 02110

Re: D.T.E. 03-118, Cambridge Electric Light Company and Commonwealth
Electric Company – 2003 Reconciliation Filing

D.T.E. 04-114, Cambridge Electric Light Company and Commonwealth
Electric Company – 2004 Reconciliation Filing

Dear Secretary Cottrell:

Enclosed for filing are: (1) the Joint Motion for Approval of Settlement Agreement; and (2) the Settlement Agreement entered into by Cambridge Electric Light Company and Commonwealth Electric Company (the “Companies”) and the Attorney General (collectively, the “Settling Parties”) in the above-referenced matters. Please note that attachments to the Settlement Agreement containing confidential information are being provided under seal to the Hearing Officer. Also enclosed is a Certificate of Service.

The Settlement Agreement is intended to resolve certain issues in this case relating to the Companies’ reconciliation of costs and revenues for the years 2003 and 2004. As described in the Settlement Agreement, it shall be deemed withdrawn if not approved in its entirety by the Department by October 19, 2005.

If the Department has any questions regarding the terms of the Settlement Agreement or wishes additional information, please contact Joseph Rogers or Colleen McConnell, Assistant Attorneys General or me.

Letter to Secretary Cottrell
D.T.E. 03-118/D.T.E. 04-114
September 19, 2005
Page 2

Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert N. Werlin". The signature is fluid and cursive, with the first name "Robert" and last name "Werlin" clearly distinguishable.

Robert N. Werlin

Enclosures

cc: Shaela McNulty Collins, Hearing Officer
Service Lists, D.T.E. 03-118/D.T.E. 04-114

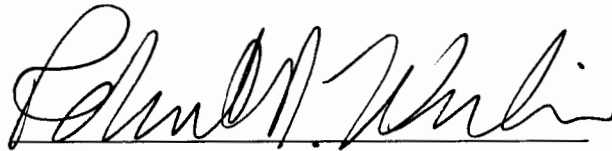
COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

Cambridge Electric Light Company)
Commonwealth Electric Company)
_____)

D.T.E. 03-118/D.T.E. 04-114

CERTIFICATE OF SERVICE

I certify that I have this day served the foregoing document upon the Department of Telecommunications and parties of record in accordance with the requirements of 220 C.M.R. 1.05 (Department's Rules of Practice and Procedures).



Robert N. Werlin, Esq.
Keegan Werlin LLP
265 Franklin Street
Boston, Massachusetts 02110
(617) 951-1400

Dated: September 19, 2005

COMMONWEALTH OF MASSACHUSETTS

DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

Cambridge Electric Light Company and
Commonwealth Electric Company,
d/b/a NSTAR Electric

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D.T.E. 03-118/D.T.E. 04-114

JOINT MOTION FOR APPROVAL OF SETTLEMENT AGREEMENT

Cambridge Electric Light Company (“Cambridge”) and Commonwealth Electric Company (“Commonwealth”) (together, the “Companies”), d/b/a NSTAR Electric and the Attorney General of Massachusetts (the “Attorney General”) (collectively, the “Settling Parties”) jointly move, pursuant to 220 C.M.R. § 1.04(5), for Department of Telecommunications and Energy (the “Department”) approval of the Settlement Agreement (the “Settlement Agreement”) filed herewith. In addition, the Settling Parties move the Department to enter into evidence the exhibits filed in this proceeding and listed on Appendix A of the Settlement Agreement. The Settlement Agreement seeks to resolve issues relating to the reconciliation of costs and revenues in conjunction with the Companies’ 2003 and 2004 Transition Charge filings.

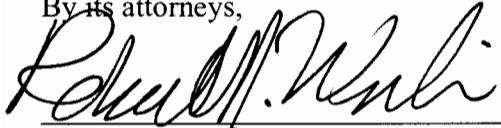
This Settlement Agreement is conditioned on approval in its entirety by the Department and on the further condition that, if the Department does not approve the Settlement Agreement in its entirety by October 19, 2005, it shall be deemed withdrawn.

WHEREFORE, the Settling Parties request that the Department grant this Joint Motion for Approval of Settlement Agreement and enter into evidence the exhibits listed in Appendix A of the Settlement Agreement on or before October 19, 2005.

Respectfully Submitted,

**CAMBRIDGE ELECTRIC
LIGHT COMPANY AND
COMMONWEALTH ELECTRIC
COMPANY,
d/b/a NSTAR Electric**

By its attorneys,



Robert N. Werlin
David S. Rosenzweig
Keegan Werlin LLP
265 Franklin Street
Boston, MA 02110

**ATTORNEY GENERAL OF
MASSACHUSETTS**



Joseph Rogers
Colleen McConnell
Assistant Attorneys General
Utilities Division
Office of the Attorney General
One Ashburton Place
Boston, MA 02108-1598

Dated: September 19, 2005

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

Cambridge Electric Light Company and
Commonwealth Electric Company,
d/b/a NSTAR Electric

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D.T.E. 03-118/D.T.E. 04-114

SETTLEMENT AGREEMENT

Cambridge Electric Light Company (“Cambridge”) and Commonwealth Electric Company (“Commonwealth”) (together, the “Companies”), d/b/a NSTAR Electric and the Attorney General of Massachusetts (the “Attorney General”) (collectively, the “Settling Parties”) agree, subject to the approval by the Department of Telecommunications and Energy (the “Department”), to resolve certain issues relating to these proceedings.

ARTICLE 1

INTRODUCTION

1.1 On November 19, 1997, the Companies filed with the Department a proposed electric restructuring plan (the “Restructuring Plan”) in accordance with the Electric Restructuring Act, Chapter 164 of the Acts of 1997 (the “Restructuring Act”). On February 27, 1998, the Department determined that the Restructuring Plan is consistent with or substantially complies with the provisions of the Restructuring Act. Cambridge Electric Light Company et al., D.P.U./D.T.E. 97-111 (1998); see also Cambridge Electric Light Company/Commonwealth Electric Company, D.T.E. 99-90-C (2001).

- 1.2 On December 3, 2003, the Companies filed their fourth reconciliation filing with the Department, pursuant to the approved Restructuring Plan (the “2003 Filing”). The 2003 Filing, docketed as D.T.E. 03-118, also included tariffs seeking Department approval of charges for Standard Offer Service, Default Service, Transmission Service, Demand Side Management, Renewables and Distribution Service for effect January 1, 2004.
- 1.3 On March 1, 2004, the Companies filed supplemental testimony and exhibits to update the 2003 Filing to reflect actual data through December 31, 2003.
- 1.4 On December 7, 2004, the Companies filed their fifth reconciliation filing with the Department, pursuant to the approved Restructuring Plan (the “2004 Filing”). The 2004 Filing, docketed as D.T.E. 04-114, also included tariffs seeking Department approval of charges for Standard Offer Service, Default Service, Transmission Service, Demand Side Management, Renewables and Distribution Service for effect January 1, 2005.
- 1.5 On January 14, 2005, the Department approved a joint motion to consolidate the proceedings in D.T.E. 03-118 and D.T.E. 04-114.
- 1.6 On February 23, 2005, the Companies filed supplemental testimony and exhibits to update the 2004 Filing to reflect actual data through December 31, 2004.
- 1.7 On this date, the Companies filed Exhibit CAM-JFL-3 (Supp 2) and Exhibit COM-JFL-3 (Supp 2) in D.T.E. 03-118 and Exhibit CAM-CLV-3 (Supp 2) and Exhibit COM-CLV-3 (Supp 2) in D.T.E. 04-114 to update the transmission exhibits.

- 1.8 A listing of all exhibits filed in these consolidated proceedings is attached as Appendix A.
- 1.9 Except as set forth in Article 3, this Settlement Agreement is intended to resolve all issues relating to the reconciliation of costs and revenues for the calendar years 2003 and 2004 as follows:

ARTICLE 2

TERMS OF AGREEMENT

- 2.1 Except as set forth in Article 3, the Settling Parties agree that the amount of the reconciliation of revenues and costs for the years 2003 and 2004 shall be as set forth in the exhibits filed by the Companies on December 3, 2003, as supplemented on March 1, 2004 for D.T.E. 03-118; and December 7, 2004, as supplemented on February 23, 2005 for D.T.E. 04-114, and as further adjusted by the following settlement exhibits: Exhibit CAM-CLV-1 (Settlement), Exhibit CAM-CLV-2 (Settlement), Exhibit CAM-CLV-2A (Settlement), Exhibit COM-CLV-1 (Settlement), Exhibit COM-CLV-2 (Settlement) and Exhibit COM-CLV-2A (Settlement), attached and incorporated by reference in this Settlement Agreement.¹

- 2.2 The settlement exhibits differ from the most recent filed exhibits as follows:²

¹ Legal, consulting and related administrative costs associated with the buyout, restructuring and securitization of purchase-power agreements ("PPAs") approved by the Department in D.T.E. 04-60, D.T.E. 04-61, D.T.E. 04-70, D.T.E. 04-78 and D.T.E. 04-85 are not included in the reconciliation for 2003 and 2004. The recovery of such costs will be included in the reconciliation of transition costs for 2005.

² The Companies updated the format of the exhibits to standardize the formats filed by Cambridge, Commonwealth and Boston Edison. Accordingly, because this settlement includes changes to the fixed component of the transition costs for the Companies, included in this Settlement Agreement are Exhibit CAM-CLV-2A (Settlement) and Exhibit COM-CLV-2A (Settlement), which replicate the format used in 2003 for the fixed component of the transition charge.

- (a) Exhibit CAM-CLV-1 (Settlement), Exhibit COM-CLV-1 (Settlement), Exhibit CAM-CLV-2A (Settlement) and Exhibit COM-CLV-2A (Settlement) incorporate changes to the residual value credit of the fixed component of the transition charge to close out the repayment of divestiture proceedings being held by Energy Investment Service, Inc. (“EIS”).
- (b) The Payments in Lieu of Property Taxes for 2003 set forth on Exhibit COM-CLV-2 (Settlement) page 2, column D, is reduced by \$0.66 million to reflect the actual payment in lieu of property tax amount per agreement with the Town of Plymouth for calendar year 2003. This adjustment flows through to: Exhibit COM-CLV-2 (Settlement) page 1, column A; Exhibit COM-CLV-1 (Settlement) page 5, column G; and Exhibit COM-CLV-1 (Settlement) page 1, column F.
- (c) The Mitigation Incentive Adjustment for Commonwealth set forth in Exhibit COM-CLV-1 (Settlement), page 6, column C is reduced by \$3.287 million to defer inclusion of the mitigation incentive for the NEA restructuring approved by the Department in D.T.E. 04-85 to reflect the fact that the closing of the restructuring did not occur until February 28, 2005, and thus will be included in the 2005 filing.
- (d) Exhibit CAM-CLV-1 (Settlement), page 5, column G, Exhibit COM-CLV-1 (Settlement), page 5, column G, Exhibit CAM-CLV-

2 (Settlement), and Exhibit COM-CLV-2 (Settlement) remove legal costs associated with representing the interests of retail customers concerning ISO-NE market issues and associated litigation before the Federal Energy Regulatory Commission.

ARTICLE 3

RESERVATION OF RIGHTS

- 3.1 The Settling Parties have not reached agreement on three issues: (1) the reconciliation of transmission costs and revenues and the propriety of the recovery of certain transmission costs; (2) Blackstone Station Revenue Credit included in Exhibit CAM-CLV-1 (Settlement), page 10, and (3) costs included in the transmission reconciliation associated with Mirant Kendall.
- 3.2 Upon Department approval of this Settlement Agreement, the Settling Parties agree to propose a procedural schedule for an evidentiary proceeding to resolve the issue of the reconciliation of transmission costs and revenues, except for issues relating to Mirant Kendall, which are to be deferred in accordance with Paragraph 3.3.
- 3.3 On the issues of the Blackstone Revenue Credit and costs included in the transmission reconciliation associated with Mirant Kendall, the Settling Parties agree to defer consideration of the issues until the 2005 reconciliation proceeding.

ARTICLE 4
CONDITIONS

- 4.1 This Settlement Agreement shall not be deemed in any respect to constitute an admission by any party that any allegation or contention in this proceeding is true or false. Except as specified in this Settlement Agreement, the entry of an order by the Department approving the Settlement Agreement shall not in any respect constitute a determination by the Department as to the merits of any other issue raised in this proceeding.
- 4.2 The making of this Settlement Agreement establishes no principles and shall not be deemed to foreclose any party from making any contention in any future proceeding or investigation, except as to those issues and proceedings that are stated in this Settlement Agreement as being resolved and terminated by approval of this Settlement Agreement.
- 4.3 This Settlement Agreement is the product of settlement negotiations. The Settling Parties agree that the content of those negotiations (including any workpapers or documents produced in connection with the negotiations) are confidential, that all offers of settlement are without prejudice to the position of any party or participant presenting such offer or participating in such discussion, and that they will not use the content of those negotiations in any manner in these or other proceedings involving one or more of the parties to this Settlement Agreement, or otherwise.
- 4.4 The provisions of this Settlement Agreement are not severable. This Settlement Agreement is conditioned on its approval in full by the Department.

4.5 If the Department does not approve the Settlement Agreement in its entirety by October 19, 2005, it shall be deemed to be withdrawn and shall not constitute a part of the record in any proceeding or used for any other purpose.

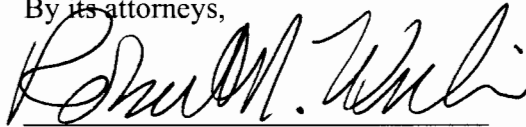
4.6 The Department shall have continuing jurisdiction to enforce the terms of this Settlement Agreement.

The signatories listed below represent that they are authorized on behalf of their principals to enter into this Settlement Agreement.

**CAMBRIDGE ELECTRIC
LIGHT COMPANY and
COMMONWEALTH ELECTRIC
COMPANY
d/b/a NSTAR Electric**

**ATTORNEY GENERAL OF
MASSACHUSETTS**

By its attorneys,



Robert N. Werlin
David S. Rosenzweig
Keegan Werlin LLP
265 Franklin Street
Boston, MA 02110



Joseph Rogers
Colleen McConnell
Assistant Attorneys General
Utilities Division
Office of the Attorney General
One Ashburton Place
Boston, MA 02108-1598

Dated: September 19, 2005

**D.T.E. 03-118/D.T.E. 04-114
Cambridge Electric Light Company/Commonwealth Electric Company,
d/b/a NSTAR Electric
2003/2004 Reconciliation Filings
Exhibit List**

Prefiled Testimony and Exhibits

Description

D.T.E. 03-118

Exhibit NSTAR-JFL	➤ Testimony of Joseph F. Lanza
Exhibit CAM/COM-JFL (Supp)	➤ Supplemental Direct Testimony of Joseph F. Lanza
Exhibit CAM-JFL-1	➤ Transition Charge Calculation (Cambridge)
Exhibit CAM-JFL-1 (Supp)	➤ Transition Charge Calculation (Cambridge)
Exhibit CAM-JFL-2	➤ Summary of Transition Charge — Fixed Component (Cambridge)
Exhibit CAM-JFL-2 (Supp)	➤ Summary of Transition Charge — Fixed Component (Cambridge)
Exhibit CAM-JFL-3	➤ Transmission Rate (Cambridge)
Exhibit CAM-JFL-3 (Supp)	➤ Transmission Rate (Cambridge)
Exhibit CAM-JFL-3 (Supp 2)	➤ Transmission Rate (Cambridge)
Exhibit CAM-JFL-4	➤ Standard Offer Service Reconciliation for 2003 (Cambridge)
Exhibit CAM-JFL-4 (Supp)	➤ Standard Offer Service Reconciliation for 2003 (Cambridge)
Exhibit CAM-JFL-5	➤ Default Service Reconciliation for 2003 (Cambridge)
Exhibit CAM-JFL-5 (Supp)	➤ Default Service Reconciliation for 2003 (Cambridge)
Exhibit CAM-JFL-6	➤ Standard Offer Service Reconciliation for 2004 (Cambridge)
Exhibit CAM-JFL-6 (Supp)	➤ Standard Offer Service Reconciliation for 2004 (Cambridge)
Exhibit CAM-JFL-7	➤ Default Service Reconciliation for 2004 (Cambridge)
Exhibit CAM-JFL-7 (Supp)	➤ Default Service Reconciliation for 2004 (Cambridge)
Exhibit COM-JFL-1	➤ Transition Charge Calculation (Commonwealth)

D.T.E. 03-118/D.T.E. 04-114
Cambridge Electric Light Company/Commonwealth Electric Company,
d/b/a NSTAR Electric
2003/2004 Reconciliation Filings
Exhibit List

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Exhibit COM-JFL-2	➤ Summary of Transition Charge — Fixed Component (Commonwealth)
Exhibit COM-JFL-2 (Supp)	➤ Summary of Transition Charge — Fixed Component (Commonwealth)
Exhibit COM-JFL-3	➤ Transmission Rate (Commonwealth)
Exhibit COM-JFL-3 (Supp)	➤ Transmission Rate (Commonwealth)
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Exhibit COM-JFL-6 (Supp)	➤ Standard Offer Service Reconciliation for 2004 (Commonwealth)
Exhibit COM-JFL-7	➤ Default Service Reconciliation for 2004 (Commonwealth)
Exhibit COM-JFL-7 (Supp)	➤ Default Service Reconciliation for 2004 (Commonwealth)
Exhibit NSTAR-HCL	➤ Testimony of Henry C. LaMontagne
Exhibit CAM-HCL-1	➤ Proposed Tariffs-Redlined (Cambridge)
Exhibit CAM-HCL-2	➤ Summary of Revenues by Rate Schedule (Cambridge)
Exhibit CAM-HCL-3	➤ Pricing Models and Revenue Proofs (Cambridge)
Exhibit CAM-HCL-4	➤ Percentage Rate Reductions/Rate Comparisons (Cambridge)

D.T.E. 03-118/D.T.E. 04-114
Cambridge Electric Light Company/Commonwealth Electric Company,
d/b/a NSTAR Electric
2003/2004 Reconciliation Filings
Exhibit List

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Description

- | | |
|-------------------|--|
| Exhibit CAM-HCL-5 | ➤ Summary of Unbundled Rate Components (Cambridge) |
| Exhibit CAM-HCL-6 | ➤ Transition Rate Adjustments (Cambridge) |
| Exhibit CAM-HCL-7 | ➤ Derivation of the Inflation Factor (Cambridge) |
| Exhibit CAM-HCL-8 | ➤ Typical Bill Calculations (Cambridge) |

- | | |
|-------------------|--|
| Exhibit COM-HCL-1 | ➤ Proposed Tariffs – Redlined (Commonwealth) |
| Exhibit COM-HCL-2 | ➤ Summary of Revenues by Rate Schedule (Commonwealth) |
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D.T.E. 04-114

- | | |
|----------------------------|---|
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D.T.E. 03-118/D.T.E. 04-114
Cambridge Electric Light Company/Commonwealth Electric Company,
d/b/a NSTAR Electric
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Cambridge Electric Light Company/Commonwealth Electric Company,
d/b/a NSTAR Electric
2003/2004 Reconciliation Filings
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D.T.E. 03-118/D.T.E. 04-114
Cambridge Electric Light Company/Commonwealth Electric Company,
d/b/a NSTAR Electric
2003/2004 Reconciliation Filings
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Responses to Information Requests

AG-1-1	AG-2-5	DTE-1-6
AG-1-2	AG-2-6	DTE-1-7
AG-1-3	AG-2-7	DTE-1-8
AG-1-4	AG-2-8	DTE-1-9
AG-1-5	AG-2-9	DTE-1-10
AG-1-6	AG-2-8 (Supplemental)	DTE-1-11
AG-1-7	AG-2-9 (Supplemental)	DTE-1-12
AG-1-8	AG-2-10	DTE-1-13
AG-1-9	AG-2-11	DTE-1-14
AG-1-10	AG-2-12	DTE-2-1
AG-1-11	AG-2-13	DTE-2-2
AG-1-12	AG-3-1	DTE-2-3
AG-1-13	AG-3-2	DTE-2-4
AG-1-14	AG-3-3	DTE-3-1
AG-1-15	AG-3-4	DTE-3-2
AG-1-16	AG-3-5	DTE-3-3
AG-1-17	AG-3-6	DTE-3-4
AG-1-17 (Supplemental)	AG-3-7	DTE-3-5
AG-1-18	DTE-1-1	DTE-3-6
AG-2-1	DTE-1-2	DTE-3-7
AG-2-2	DTE-1-3	DTE-3-8
AG-2-3	DTE-1-4	
AG-2-4	DTE-1-5	

D.T.E. 03-118/D.T.E. 04-114
Cambridge Electric Light Company/Commonwealth Electric Company,
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2003/2004 Reconciliation Filings
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Settlement Exhibits

Exhibit CAM-CLV-1 (Settlement)
Exhibit CAM-CLV-2 (Settlement)
Exhibit CAM-CLV-2A (Settlement)
Exhibit COM-CLV-1 (Settlement)
Exhibit COM-CLV-2 (Settlement)
Exhibit COM-CLV-2A (Settlement)

EXHIBIT CAM-CLV-1 (SETTLEMENT)

**Cambridge Electric Light Company
Transition Charge Calculation
\$ in Millions**

Year	GWH Delivered	Transition Charge Billed	Revenues for Delivered GWH	Fixed Component	Variable Component	Mitigation Incentive & Other	Prior Year Deferral	Interest on Deferral	Expenses	(Over) Under Collection
Col. A	Col. B	Col. C	Col. D	Col. E	Col. F	Col. G	Col. H	Col. I	Col. J	Col. K
2002										\$ 1.100
2003	1,639.566	0.248	\$ 4.067	\$ (2.520)	\$ 3.550	\$ (6.056)	\$ 1.100	\$ 0.042	\$ (3.884)	(7.951)
2004	1,633.125	0.352	5.744	(1.778)	14.205	0.514	(7.951)	(0.210)	4.780	(0.964)
2005	1,667.350	0.288	4.802	(1.648)	26.580	0.297	(0.964)	(0.016)	24.248	19.446
2006	1,700.697	1.819	30.936	(1.517)	12.243	0.301	19.446	0.463	30.936	-
2007	1,734.711	0.835	14.485	(1.385)	15.557	0.313	-	-	14.485	-
2008	1,769.405	0.681	12.058	(1.253)	12.990	0.321	-	-	12.058	-
2009	1,804.793	0.085	1.529	(1.120)	2.378	0.271	-	-	1.529	-
2010	1,840.889	0.128	2.361	-	2.167	0.194	-	-	2.361	-
2011	1,877.707	0.058	1.080	-	0.882	0.198	-	-	1.080	-
2012	1,915.261	0.051	0.973	-	0.764	0.209	-	-	0.973	-
2013	1,953.566	0.045	0.876	-	0.763	0.113	-	-	0.876	-
2014	1,992.637	0.045	0.892	-	0.761	0.131	-	-	0.892	-
2015	2,032.490	0.044	0.891	-	0.763	0.128	-	-	0.891	-
2016	2,073.140	0.033	0.685	-	0.594	0.091	-	-	0.685	-
2017	2,114.603	0.035	0.750	-	0.639	0.111	-	-	0.750	-
2018	2,156.895	0.035	0.763	-	0.655	0.108	-	-	0.763	-
2019	2,200.033	0.034	0.752	-	0.671	0.081	-	-	0.752	-
2020	2,244.034	0.035	0.793	-	0.689	0.104	-	-	0.793	-
2021	2,288.915	0.044	0.998	-	0.895	0.103	-	-	0.998	-
2022	2,334.693	0.003	0.075	-	-	0.075	-	-	0.075	-
2023	2,381.387	0.004	0.101	-	-	0.101	-	-	0.101	-
2024	2,429.015	0.004	0.101	-	-	0.101	-	-	0.101	-
2025	2,477.595	0.003	0.066	-	-	0.066	-	-	0.066	-
2026	2,527.147	0.003	0.086	-	-	0.086	-	-	0.086	-

Col. B: 2003 per Page 2, Line 15; 2004 per Page 3, Line 15; 2005 per sales forecast; years 2006 and beyond assumes 2% growth per annum.

Col. C: 2003 per Page 2, Line 15; 2004 per Page 3, Line 15; 2005 equals 15% Rate Cap Transition Charge Rate; 2006 and beyond equals Col. J / Col. B.

Col. D: 2003 per Page 2, Line 15; 2004 per Page 3, Line 15; 2005 equals Col. B * Col. C; 2006 and beyond equals Col. J.

Col. E: Page 4, Col. H.

Col. F: Page 5, Col. K.

Col. G: Page 6, Col. K.

Col. H: Col. K prior year.

Col. I: Col. H times interest rate on customer deposits; 2002 ending balance = 3.83%; 2003 ending balance = 2.64%; 2004 ending balance = 1.65%; Post 2004 = 2.38%.

Col. J: Sum of Col. E thru Col. I.

Col. K: 2002 per D.T.E. 02-80B (Settlement); 2003 and beyond equals Col. J - Col. D.

Cambridge Electric Light Company
Actual 2003 Transition Revenues
\$ in Millions

Line	Description	GWH	A/C #	Per Book \$	Total
1	<u>2003 Transition Billed Revenues:</u>				
2	Residential Transition	194.744	440160	\$ 0.367	
3	Commercial Transition	1,408.726	442500	4.384	
4	Industrial Transition	34.234	442430	0.116	
5	Street Light Transition	8.348	444060	0.016	
6	Total Billed Revenues	<u>1,646.052</u>			\$ 4.883
7	<u>2003 Transition Unbilled Revenues:</u>			Value	
8	Less: Residential Transition Unbilled @ 12/31/02	(10.466)			
9	Plus: Residential Transition Unbilled @ 12/31/03	9.564	440162	\$ (0.106)	
10	Less: Commercial Transition Unbilled @ 12/31/02	(73.966)			
11	Plus: Commercial Transition Unbilled @ 12/31/03	69.285	442505	(0.666)	
12	Less: Industrial Transition Unbilled @ 12/31/02	(3.518)			
13	Plus: Industrial Transition Unbilled @ 12/31/03	2.615	442435	(0.044)	
14	Total Unbilled Revenues	<u>(6.486)</u>			(0.816)
15	Total 2003 Transition Revenues	<u>1,639.566</u>	<u>0.248</u>		\$ 4.067

Cambridge Electric Light Company
Actual 2004 Transition Revenues
\$ in Millions

Line	Description	GWH	A/C #	Per Book \$	Total
1	<u>2004 Transition Billed Revenues:</u>				
2	Residential Transition	186.980	440160	\$ 0.646	
3	Commercial Transition	1,414.423	442500	4.913	
4	Industrial Transition	29.634	442430	0.107	
5	Street Light Transition	8.290	444060	0.031	
6	Total Billed Revenues	<u>1,639.326</u>			\$ 5.698
7	<u>2004 Transition Unbilled Revenues:</u>			<u>Value</u>	
8	Less: Residential Transition Unbilled @ 12/31/03	(9.564)			
9	Plus: Residential Transition Unbilled @ 12/31/04	9.618	440162	\$ 0.019	
10	Less: Commercial Transition Unbilled @ 12/31/03	(69.285)			
11	Plus: Commercial Transition Unbilled @ 12/31/04	64.300	442505	0.029	
12	Less: Industrial Transition Unbilled @ 12/31/03	(2.615)			
13	Plus: Industrial Transition Unbilled @ 12/31/04	<u>1.344</u>	442435	<u>(0.002)</u>	
14	Total Unbilled Revenues	<u>(6.201)</u>			<u>0.047</u>
15	Total 2004 Transition Revenues	<u>1,633.125</u>	<u>0.352</u>		<u>\$ 5.744</u>

Cambridge Electric Light Company
Summary of Transition Charge - Fixed Component
\$ in Millions

Year	Cambridge Electric Light Company		Residual Value Credit				Net Fixed Component
	Pre-Tax Return on Generation Related Assets	Amortization of Generation Related Assets	Pre-Tax Return on Cambridge Generation Recovery/(Proceeds)	Amortization of Cambridge Generation Recovery/(Proceeds)	Pre-Tax Return on Canal Related Generation Recovery/(Proceeds)	Amortization of Canal Related Generation Recovery/(Proceeds)	
Col. A	Col. B	Col. C	Col. D	Col. E	Col. F	Col. G	Col. H
2003	\$0.013	\$0.024	(\$0.855)	(\$1.704)	(\$0.000)	\$0.002	(\$2.520)
2004	0.011	0.024	(0.732)	(1.081)	0.000	0.000	(1.778)
2005	0.009	0.024	(0.600)	(1.081)	0.000	0.000	(1.648)
2006	0.007	0.024	(0.467)	(1.081)	0.000	0.000	(1.517)
2007	0.006	0.024	(0.334)	(1.081)	0.000	0.000	(1.385)
2008	0.004	0.024	(0.200)	(1.081)	0.000	0.000	(1.253)
2009	0.001	0.029	(0.067)	(1.083)	0.000	0.000	(1.120)

Note: Amounts per D.T.E. 03-118/04-114 (Settlement), Exhibit CAM-CLV-2A.
Col. H equals Sum of Col. B through Col. G.

Cambridge Electric Light Company
Summary of Transition Charge - Variable Component
\$ in Millions

Year	Actual Power Total Obligations	Actual Power Contracts Market Value	Net Power Obligation	Actual Power Contract Buyouts	Future Use	Revenue Credits & Damages, Costs, or net Recoveries	Other	Rate Design Adjustment	Reversal of Prior Year Rate Design Adjustment	Actual Total Variable Component
Col. A	Col. B	Col. C	Col. D	Col. E	Col. F	Col. G	Col. H	Col. I	Col. J	Col. K
2003	\$ 27.957	\$ 13.926	\$ 14.031	\$ (0.070)	\$ -	\$ (9.948)	\$ -	\$ (0.463)	\$ -	\$ 3.550
2004	24.422	10.308	14.114	-	-	-	-	(0.372)	0.463	14.205
2005	28.523	2.883	25.641	-	-	-	-	0.567	0.372	26.580
2006	16.825	4.015	12.810	-	-	-	-	-	(0.567)	12.243
2007	19.084	3.527	15.557	-	-	-	-	-	-	15.557
2008	16.640	3.650	12.990	-	-	-	-	-	-	12.990
2009	6.445	4.067	2.378	-	-	-	-	-	-	2.378
2010	6.117	3.950	2.167	-	-	-	-	-	-	2.167
2011	5.037	4.155	0.882	-	-	-	-	-	-	0.882
2012	1.813	1.049	0.764	-	-	-	-	-	-	0.764
2013	0.763	-	0.763	-	-	-	-	-	-	0.763
2014	0.761	-	0.761	-	-	-	-	-	-	0.761
2015	0.763	-	0.763	-	-	-	-	-	-	0.763
2016	0.594	-	0.594	-	-	-	-	-	-	0.594
2017	0.639	-	0.639	-	-	-	-	-	-	0.639
2018	0.655	-	0.655	-	-	-	-	-	-	0.655
2019	0.671	-	0.671	-	-	-	-	-	-	0.671
2020	0.689	-	0.689	-	-	-	-	-	-	0.689
2021	0.895	-	0.895	-	-	-	-	-	-	0.895

Col. B: Page 7, Column N.

Col. C: Page 8, Column N.

Col. D: Col. B - Col. C (see also Page 9, Column N).

Col. E: Seabrook Buyout Adjustment.

Col. G: Exhibit CAM-CLV-2, Page 1, Col. I.

Col. I: Exhibit CAM-HCL-6, Page 1, Col. E adjusted for rate design constraint.

Col. J: Reversal of Prior Year Col. I.

Col. K: Col. D + Col. E + Col. F + Col. G + Col. H + Col. I + Col. J.

Cambridge Electric Light Company
Summary of Transition Charge - Other Adjustments
\$ in Millions

Year	EIS Return on Investment Adjustment	Mitigation Incentive Adjustment	Future Use	Other Adjustment	Mitigation Incentive					Total Other Adjustments
					Hydro Quebec Transmission	Fixed Component	Seabrook Buydown	Vermont Yankee Buydown	Seabrook Buyout	
Col. A	Col. B	Col. C	Col. D	Col. E	Col. F	Col. G	Col. H	Col. I	Col. J	Col. K
2003	\$ (2.462)	\$ 0.408	\$ -	\$ (4.309)	\$ 0.008	\$ 0.127	\$ 0.127	\$ (0.004)	\$ 0.049	\$ (6.056)
2004	-	0.188	-	-	0.005	0.122	0.124	0.044	0.031	0.514
2005	-	-	-	(0.050)	0.005	0.117	0.120	0.060	0.045	0.297
2006	-	-	-	-	0.006	0.111	0.117	0.022	0.045	0.301
2007	-	-	-	-	0.006	0.105	0.114	0.063	0.025	0.313
2008	-	-	-	-	0.006	0.099	0.110	0.066	0.040	0.321
2009	-	-	-	-	-	0.093	0.106	0.029	0.043	0.271
2010	-	-	-	-	-	-	0.103	0.070	0.021	0.194
2011	-	-	-	-	-	-	0.100	0.059	0.039	0.198
2012	-	-	-	-	-	-	0.096	0.072	0.041	0.209
2013	-	-	-	-	-	-	0.093	-	0.020	0.113
2014	-	-	-	-	-	-	0.089	-	0.042	0.131
2015	-	-	-	-	-	-	0.086	-	0.042	0.128
2016	-	-	-	-	-	-	0.083	-	0.008	0.091
2017	-	-	-	-	-	-	0.079	-	0.032	0.111
2018	-	-	-	-	-	-	0.075	-	0.033	0.108
2019	-	-	-	-	-	-	0.073	-	0.008	0.081
2020	-	-	-	-	-	-	0.069	-	0.035	0.104
2021	-	-	-	-	-	-	0.065	-	0.038	0.103
2022	-	-	-	-	-	-	0.063	-	0.012	0.075
2023	-	-	-	-	-	-	0.059	-	0.042	0.101
2024	-	-	-	-	-	-	0.055	-	0.046	0.101
2025	-	-	-	-	-	-	0.051	-	0.015	0.066
2026	-	-	-	-	-	-	0.046	-	0.040	0.086

Col. B: Interest true-up through year-end 2003.

Col. C: 2003 equals 4 percent of excess proceeds of Blackstone Sale (Exhibit CAM-CLV-2 (Settlement), page 1, column C),
4 percent of Seabrook Buyout Adjustment (page 4, column E), and 2003 true-up adjustment to actual for Column I.
2004 equals NPV of 4 percent of Altresco-Pittsfield Buyout savings and 2004 true-up adjustment to actual for Column I.

Col. E: 2003 - E.I.S. Closing (\$3.864); Page 10, Col. E (\$0.445).
2005 adjustment per D.T.E. 04-60 Altresco-Pittsfield Order, Page 26, Footnote 9.

Col. F: Equals 4 percent of Page 7, Col. F.

Cambridge Electric Light Company
Power Contract Obligations
Annual Obligations in Millions of Dollars

Year	Vermont Yankee	Altresco- Pittsfield	Hydro Quebec Phase 1	Hydro Quebec Phase 2	Hydro Quebec Mitigation	Line 331 Equalizer	Canal Section A	Canal Section B	Seabrook 1	Yankee Atomic	Connecticut Yankee	Maine Yankee	Total
Col. A	Col. B	Col. C	Col. D	Col. E	Col. F	Col. G	Col. H	Col. I	Col. J	Col. K	Col. L	Col. M	Col. N
2003													
2004													
Jan - Mar													
Apr - Dec													
2005													
2006													
2007													
2008													
2009													
2010													
2011													
2012													
2013													
2014													
2015													
2016													
2017													
2018													
2019													
2020													
2021													

REDACTED

Note: 2004 - Col. B and Col. C per Exhibit CAM-CLV-4, Page 3.
2005 (Jan - Mar) - Col. B and Col. C per Exhibit CAM-CLV-6, Page 3.
Post March 2005 per Company forecasts.

Cambridge Electric Light Company
Power Contract Obligations
Annual Market in Millions of Dollars

Year	Vermont Yankee	Altresco- Pittsfield	Hydro Quebec Phase 1	Hydro Quebec Phase 2	Hydro Quebec Mitigation	Line 331 Equalizer	Canal Section A	Canal Section B	Seabrook 1	Yankee Atomic	Connecticut Yankee	Maine Yankee	Total
Col. A	Col. B	Col. C	Col. D	Col. E	Col. F	Col. G	Col. H	Col. I	Col. J	Col. K	Col. L	Col. M	Col. N
2003													
2004													
Jan - Mar													
Apr - Dec													
2005													
2006													
2007													
2008													
2009													
2010													
2011													
2012													
2013													
2014													
2015													
2016													
2017													
2018													
2019													
2020													
2021													

REDACTED

Note: 2004 - Col. B and Col. C per Exhibit CAM-CLV-4, Page 2.
2005 (Jan - Mar) - Col. B and Col. C per Exhibit CAM-CLV-6, Page 2.
Post March 2005 per Company forecasts.

Cambridge Electric Light Company
Power Contract Obligations
Annual Above Market in Millions of Dollars

Year	Vermont Yankee	Altresco- Pittsfield	Hydro Quebec Phase 1	Hydro Quebec Phase 2	Hydro Quebec Mitigation	Line 331 Equalizer	Canal Section A	Canal Section B	Seabrook 1	Yankee Atomic	Connecticut Yankee	Maine Yankee	Total
Col. A	Col. B	Col. C	Col. D	Col. E	Col. F	Col. G	Col. H	Col. I	Col. J	Col. K	Col. L	Col. M	Col. N
2003													
2004													
Jan - Mar													
Apr - Dec													
2005													
2006													
2007													
2008													
2009													
2010													
2011													
2012													
2013													
2014													
2015													
2016													
2017													
2018													
2019													
2020													
2021													

REDACTED

Note: Annual Above Market = Annual Obligation (page 6) minus Annual Market (page 7).

**Cambridge Electric Light Company
Blackstone Station Revenue Credit
\$ in Millions**

Year	Blackstone Station Costs	Blackstone Station Revenues	Variance	Revenue Credit Applied
Col. A	Col. B	Col. C	Col. D	Col. E
2003	\$ 0.040	\$ 0.485	\$ (0.445)	\$ (0.445)

Note:

Revenues - Lease of Blackstone by Harvard.

Costs - 2003 property insurance, A & G salaries, water bill,
and personal property taxes.

Blackstone Sale effective April 9, 2003.

EXHIBIT CAM-CLV-2 (SETTLEMENT)

Cambridge Electric Light Company
Revenue Credits & Damages, Costs, or Net Recoveries from Claims
\$ in Millions

Year	Future Use	Claims and Recoveries	Sales of Property	Wholesale Revenue Credit	Future Use	Future Use	Future Use	Future Use	Total
	Col. A	Col. B	Col. C	Col. D	Col. E	Col. F	Col. G	Col. H	Col. I
2003	\$ -	\$ -	\$ (9.851)	\$ (0.097)	\$ -	\$ -	\$ -	\$ -	\$ (9.948)
2004	-	-	-	-	-	-	-	-	-
2005	-	-	-	-	-	-	-	-	-
2006	-	-	-	-	-	-	-	-	-
2007	-	-	-	-	-	-	-	-	-
2008	-	-	-	-	-	-	-	-	-
2009	-	-	-	-	-	-	-	-	-
2010	-	-	-	-	-	-	-	-	-
2011	-	-	-	-	-	-	-	-	-
2012	-	-	-	-	-	-	-	-	-

Notes: Col. C per Page 2.
Col. D per Page 3.
Col. I equals Sum of Col. A thru Col. H.

Cambridge Electric Light Company
Property Sales
\$ in Millions

<u>Description</u>	<u>Sale Date</u>	<u>Book Value</u>	<u>Sale Proceeds</u>	<u>Transaction Costs</u>	<u>Gain/ (Loss)</u>
Blackstone Station	April 9, 2003	\$ 3.384	\$ 14.600	\$ 0.818	\$ 10.398
Total Estimated Gain on Properties Sold - 2003					<u>\$ 10.398</u>
Fixed Component (Exhibit CAM-CLV-2A (Settlement), Page 4)					\$ 0.547
Variable Component					<u>\$ 9.851</u>
Total					<u>\$ 10.398</u>

Cambridge Electric Light Company
Wholesale Revenue Credit
\$ in Millions

<u>Line</u>	<u>Description</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
1	Total Wholesale Revenue	\$ 1.595	\$ -	\$ -	\$ -
2	Less: Wholesale Supply Cost	<u>1.498</u>	<u>-</u>	<u>-</u>	<u>-</u>
3	Net Wholesale Revenue Transition Cost	<u>\$ (0.097)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Notes: Line 1-2003 Belmont total revenues less transmission related.
Line 2-D.T.E. 03-118 (Supp), Exhibit CAM-JFL-4, Page 1, Line 11.
Line 3 equals Sum of Line 2 less Line 1.

EXHIBIT CAM-CLV-2A (SETTLEMENT)

Cambridge Electric Light Company
Summary of Transition Charge - Fixed Component
\$ in Millions

Year	Cambridge Electric Light Company		Residual Value Credit				Net Fixed Component
	Pre-Tax Return on Generation Related Assets	Amortization of Generation Related Assets	Pre-Tax Return on Cambridge Generation Recovery/(Proceeds)	Amortization of Cambridge Generation Recovery/(Proceeds)	Pre-Tax Return on Canal Related Generation Recovery/(Proceeds)	Amortization of Canal Related Generation Recovery/(Proceeds)	
Col A	Col B	Col C	Col D	Col E	Col F	Col G	Col H
2003	\$0.013	\$0.024	(\$0.855)	(\$1.704)	(\$0.000)	\$0.002	(\$2.520)
2004	0.011	0.024	(0.732)	(1.081)	0.000	0.000	(1.778)
2005	0.009	0.024	(0.600)	(1.081)	0.000	0.000	(1.648)
2006	0.007	0.024	(0.467)	(1.081)	0.000	0.000	(1.517)
2007	0.006	0.024	(0.334)	(1.081)	0.000	0.000	(1.385)
2008	0.004	0.024	(0.200)	(1.081)	0.000	0.000	(1.253)
2009	0.001	0.029	(0.067)	(1.083)	0.000	0.000	(1.120)

Notes

Col B See Page 2, Line 15.

Col C See Page 2, Line 7.

Col D See Page 3, Line 23, Pages 4 & 9, Line 15 & Page 7, Line 19.

Col E See Page 3, Line 11, Pages 4, 7, & 9, Line 7.

Col F See Pages 5, 6 & 8, Line 19.

Col G See Pages 5, 6 & 8, Line 7.

Col H Sum of Columns B through G.

Cambridge Electric Light Company
Calculation of Transition Charge (Cambridge Owned Generation(Blackstone)) per Compliance Filing
\$ in Millions

Line	Description		1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total
1	Book Basis @ 1/1/1999	\$ 0.269												
2	Tax Basis @ 1/1/1999	-												
3	Excess Book vs. Tax	<u>\$ 0.269</u>												
4	Combined Federal and State Tax Rate	39.225%												
5	Deferred Taxes on Basis Difference	<u>\$ 0.106</u>												
6	Beginning Plant Balance		\$ 0.269	\$ 0.245	\$ 0.221	\$ 0.197	\$ 0.173	\$ 0.149	\$ 0.125	\$ 0.101	\$ 0.077	\$ 0.053	\$ 0.029	
7	Required Amortization		<u>0.024</u>	<u>0.024</u>	<u>0.024</u>	<u>0.024</u>	<u>0.024</u>	<u>0.024</u>	<u>0.024</u>	<u>0.024</u>	<u>0.024</u>	<u>0.024</u>	<u>0.029</u>	\$ 0.269
8	Ending Plant Balance		0.245	0.221	0.197	0.173	0.149	0.125	0.101	0.077	0.053	0.029	0.000	
9	Beginning Accumulated Deferred Tax Balance		(0.106)	(0.096)	(0.086)	(0.076)	(0.066)	(0.056)	(0.046)	(0.036)	(0.026)	(0.016)	(0.006)	
10	Deferred Tax Provision		<u>(0.010)</u>	<u>(0.010)</u>	<u>(0.010)</u>	<u>(0.010)</u>	<u>(0.010)</u>	<u>(0.010)</u>	<u>(0.010)</u>	<u>(0.010)</u>	<u>(0.010)</u>	<u>(0.010)</u>	<u>(0.006)</u>	\$ (0.106)
11	Ending Accumulated Deferred Tax Balance		(0.096)	(0.086)	(0.076)	(0.066)	(0.056)	(0.046)	(0.036)	(0.026)	(0.016)	(0.006)	(0.000)	
12	Beginning Plant (Net of Deferred Taxes)		0.163	0.149	0.135	0.121	0.107	0.093	0.079	0.065	0.051	0.037	0.023	
13	Ending Plant (Net of Deferred Taxes)		<u>0.149</u>	<u>0.135</u>	<u>0.121</u>	<u>0.107</u>	<u>0.093</u>	<u>0.079</u>	<u>0.065</u>	<u>0.051</u>	<u>0.037</u>	<u>0.023</u>	<u>0.000</u>	
14	Average Plant		0.156	0.142	0.128	0.114	0.100	0.086	0.072	0.058	0.044	0.030	0.012	
15	Return @ BTWACC (CEL 12/31/1995)	12.70%	0.020	0.018	0.016	0.014	0.013	0.011	0.009	0.007	0.006	0.004	0.001	
16														
17	Per Compliance Filing:													
18	Return of Investment		0.024	0.024	0.024	0.024	0.024	0.024	0.024	0.024	0.024	0.024	0.029	
19	Return on Investment		<u>0.020</u>	<u>0.018</u>	<u>0.016</u>	<u>0.014</u>	<u>0.013</u>	<u>0.011</u>	<u>0.009</u>	<u>0.007</u>	<u>0.006</u>	<u>0.004</u>	<u>0.001</u>	
20														
21	Total Investment		<u>0.044</u>	<u>0.042</u>	<u>0.040</u>	<u>0.038</u>	<u>0.037</u>	<u>0.035</u>	<u>0.033</u>	<u>0.031</u>	<u>0.030</u>	<u>0.028</u>	<u>0.030</u>	

Cambridge Electric Light Company
Calculation of Residual Value Credit - Sale of Cambridge Owned Generation (Excess)
\$ in Millions

Line	Description	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total
1	Gross Proceeds (Net of Transaction Costs) \$	42.025											
2	Capital Investment Depreciation Revision	0.034											
3	Lost Revenues Revision	4.263											
4	Depreciation Revision	(2.821)											
5	Excess Proceeds (Revised) \$	43.501											
6	Tax Basis @ 1/1/1999	-											
7	Excess Proceeds vs. Tax	\$ 43.501											
8	Combined Federal and State Tax Rate	39.225%											
9	Deferred Taxes on Difference	\$ 17.063											
10	Beginning Plant Balance	\$ 43.501	\$ 39.547	\$ 35.593	\$ 31.639	\$ 27.685	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
11	Required Amortization	3.954	3.954	3.954	3.954	3.954	-	-	-	-	-	-	19.770
12	Ending Plant Balance	39.547	35.593	31.639	27.685	23.731	-	-	-	-	-	-	
13	E.I.S. Closing at December 31, 2003					(23.731)							
14	Revised Ending Plant Balance					-							
15	Beginning Accumulated Deferred Tax Balance	(17.063)	(15.512)	(13.961)	(12.410)	(10.859)	-	-	-	-	-	-	
16	Deferred Tax Provision	(1.551)	(1.551)	(1.551)	(1.551)	(1.551)	-	-	-	-	-	-	(7.755)
17	Ending Accumulated Deferred Tax Balance	(15.512)	(13.961)	(12.410)	(10.859)	(9.308)	-	-	-	-	-	-	
18	E.I.S. Closing at December 31, 2003					9.308							
19	Revised Ending Acc. Deferred Tax Balance					-							
20	Beginning Plant (Net of Deferred Taxes)	26.438	24.035	21.632	19.229	16.826	-	-	-	-	-	-	
21	Ending Plant (Net of Deferred Taxes)	24.035	21.632	19.229	16.826	14.423	-	-	-	-	-	-	
22	Average Plant	25.237	22.834	20.431	18.028	15.625	-	-	-	-	-	-	
23	Return @ BTWACC (CEL 12/31/1995)	12.70%	3.205	2.900	2.595	1.984	-	-	-	-	-	-	
24													
25	Sale @ 1/1/1999												
26	Return of Investment	3.954	3.954	3.954	3.954	3.954	-	-	-	-	-	-	
27	Return on Investment	3.205	2.900	2.595	2.289	1.984	-	-	-	-	-	-	
28													
29	Total Investment	7.159	6.854	6.549	6.243	5.938	-	-	-	-	-	-	

Cambridge Electric Light Company
Calculation of Residual Value Credit - Blackstone Station
3/1/1998 Investment and Return from 3/1/1998 to 3/31/2003
\$ in Millions

Line	Description		1999	2000	2001	2002	4/1/2003	2004	2005	2006	2007	2008	2009	Total
1	Proceeds @ 4/1/2003	\$ 0.547												
2	Tax Basis @ 4/1/2003	-												
3	Excess Book vs. Tax	\$ 0.547												
4	Combined Federal and State Tax Rate	39.225%												
5	Deferred Taxes on Difference	\$ 0.215												
6	Beginning Plant Balance		-	-	-	-	0.547	0.488	0.407	0.326	0.245	0.164	0.083	
7	Required Amortization		-	-	-	-	0.059	0.081	0.081	0.081	0.081	0.081	0.083	0.547
8	Ending Plant Balance		-	-	-	-	0.488	0.407	0.326	0.245	0.164	0.083	0.000	
9	Beginning Accumulated Deferred Tax Balance		-	-	-	-	(0.215)	(0.192)	(0.160)	(0.128)	(0.096)	(0.064)	(0.032)	
10	Deferred Tax Provision		-	-	-	-	(0.023)	(0.032)	(0.032)	(0.032)	(0.032)	(0.032)	(0.032)	(0.215)
11	Ending Accumulated Deferred Tax Balance		-	-	-	-	(0.192)	(0.160)	(0.128)	(0.096)	(0.064)	(0.032)	-	
12	Beginning Plant (Net of Deferred Taxes)		-	-	-	-	0.332	0.296	0.247	0.198	0.149	0.100	0.051	
13	Ending Plant (Net of Deferred Taxes)		-	-	-	-	0.296	0.247	0.198	0.149	0.100	0.051	0.000	
14	Average Plant		-	-	-	-	0.314	0.272	0.223	0.174	0.125	0.076	0.026	
15	Return @ BTWACC	12.70%	-	-	-	-	0.030	0.034	0.028	0.022	0.016	0.010	0.003	
16														
17	Sale @ 4/1/2003													
18	Return of Investment		-	-	-	-	0.059	0.081	0.081	0.081	0.081	0.081	0.083	
19	Return on Investment		-	-	-	-	0.030	0.034	0.028	0.022	0.016	0.010	0.003	
20	Total Investment		-	-	-	-	0.089	0.115	0.109	0.103	0.097	0.091	0.086	

Cambridge Electric Light Company
Calculation of Residual Value Credit - Sale of Canal Owned Generation - Excess Net Book Value
\$ in Millions

Line	Description	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total
1	Gross Proceeds (Net of Transaction Costs) \$	14.596											
2	Tax Basis @ 1/1/1999	-											
3	Excess Proceeds vs. Tax	14.596											
4	Combined Federal and State Tax Rate	39.225%											
5	Deferred Taxes on Difference	5.725											
6	Beginning Plant Balance	\$ 14.596	\$ 13.269	\$ 11.942	\$ 10.615	\$ 9.288	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
7	Required Amortization	1.327	1.327	1.327	1.327	1.327	-	-	-	-	-	-	6.635
8	Ending Plant Balance	13.269	11.942	10.615	9.288	7.961	-	-	-	-	-	-	
9	E.I.S. Closing at December 31, 2003					(7.961)							
10	Revised Ending Plant Balance					-							
11	Beginning Accumulated Deferred Tax Balance	(5.725)	(5.205)	(4.685)	(4.165)	(3.645)	-	-	-	-	-	-	
12	Deferred Tax Provision	(0.520)	(0.520)	(0.520)	(0.520)	(0.520)	-	-	-	-	-	-	(2.600)
13	Ending Accumulated Deferred Tax Balance	(5.205)	(4.685)	(4.165)	(3.645)	(3.125)	-	-	-	-	-	-	
14	E.I.S. Closing at December 31, 2003					3.125							
15	Revised Ending Acc. Deferred Tax Balance					-							
16	Beginning Plant (Net of Deferred Taxes)	8.871	8.064	7.257	6.450	5.643	-	-	-	-	-	-	
17	Ending Plant (Net of Deferred Taxes)	8.064	7.257	6.450	5.643	4.836	-	-	-	-	-	-	
18	Average Plant	8.468	7.661	6.854	6.047	5.240	-	-	-	-	-	-	
19	Return @ BTWACC	4.69%	0.397	0.359	0.321	0.284	-	-	-	-	-	-	
20													
21	Sale @ 1/1/1999												
22	Return of Investment	1.327	1.327	1.327	1.327	1.327	-	-	-	-	-	-	
23	Return on Investment	0.397	0.359	0.321	0.284	0.246	-	-	-	-	-	-	
24	Total Investment	1.724	1.686	1.648	1.611	1.573	-	-	-	-	-	-	

Cambridge Electric Light Company
Calculation of Residual Value Debit - Seabrook Buydown (EIS)
\$ in Millions

Line	Description		1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total
1	Proceeds	\$ (7.098)												
2	Tax Basis @ 11/1/2000	-												
3	Excess Proceeds vs. Tax	(7.098)												
4	Combined Federal and State Tax Rate	39.225%												
5	Deferred Taxes on Difference	(2.784)												
6	Beginning Plant Balance		\$ -	\$ (7.098)	\$ (6.980)	\$ (6.204)	\$ (5.428)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
7	Required Amortization		-	(0.118)	(0.776)	(0.776)	(0.776)	-	-	-	-	-	-	(2.446)
8	Ending Plant Balance		-	(6.980)	(6.204)	(5.428)	(4.652)	-	-	-	-	-	-	
9	E.I.S. Closing at December 31, 2003						4.652							
10	Revised Ending Plant Balance						-							
11	Beginning Accumulated Deferred Tax Balance		-	2.784	2.738	2.434	2.130	-	-	-	-	-	-	
12	Deferred Tax Provision		-	0.046	0.304	0.304	0.304	-	-	-	-	-	-	0.958
13	Ending Accumulated Deferred Tax Balance		-	2.738	2.434	2.130	1.826	-	-	-	-	-	-	
14	E.I.S. Closing at December 31, 2003						(1.826)							
15	Revised Ending Acc. Deferred Tax Balance						-							
16	Beginning Plant (Net of Deferred Taxes)		-	(4.314)	(4.242)	(3.770)	(3.298)	-	-	-	-	-	-	
17	Ending Plant (Net of Deferred Taxes)		-	(4.242)	(3.770)	(3.298)	(2.826)	-	-	-	-	-	-	
18	Average Plant		-	(4.278)	(4.006)	(3.534)	(3.062)	-	-	-	-	-	-	
19	Return @ BTWACC	4.69%	-	(0.034)	(0.188)	(0.166)	(0.144)	-	-	-	-	-	-	
20														
21	Transfer @ 11/1/2000													
22	Return of Investment		-	(0.118)	(0.776)	(0.776)	(0.776)	-	-	-	-	-	-	
23	Return on Investment		-	(0.034)	(0.188)	(0.166)	(0.144)	-	-	-	-	-	-	
24	Total Investment		-	(0.152)	(0.964)	(0.942)	(0.920)	-	-	-	-	-	-	

Cambridge Electric Light Company
Calculation of Residual Value Debit - Seabrook Buydown (Kendall)
\$ in Millions

Line	Description		1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total
1	Proceeds	\$ (21.137)												
2	Tax Basis @ 11/1/2000	-												
3	Excess Proceeds vs. Tax	(21.137)												
4	Combined Federal and State Tax Rate	39.225%												
5	Deferred Taxes on Difference	(8.291)												
6	Beginning Plant Balance		-	(21.137)	(20.785)	(18.476)	(16.167)	-	-	-	-	-	-	
7	Required Amortization		-	(0.352)	(2.309)	(2.309)	(2.309)	-	-	-	-	-	-	(7.279)
8	Ending Plant Balance		-	(20.785)	(18.476)	(16.167)	(13.858)	-	-	-	-	-	-	
9	E.I.S. Closing at December 31, 2003						13.858							
10	Revised Ending Plant Balance						-							
11	Beginning Accumulated Deferred Tax Balance		-	8.291	8.153	7.247	6.341	-	-	-	-	-	-	
12	Deferred Tax Provision		-	0.138	0.906	0.906	0.906	-	-	-	-	-	-	2.856
13	Ending Accumulated Deferred Tax Balance		-	8.153	7.247	6.341	5.435	-	-	-	-	-	-	
14	E.I.S. Closing at December 31, 2003						(5.435)							
15	Revised Ending Acc. Deferred Tax Balance						-							
16	Beginning Plant (Net of Deferred Taxes)		-	(12.846)	(12.632)	(11.229)	(9.826)	-	-	-	-	-	-	
17	Ending Plant (Net of Deferred Taxes)		-	(12.632)	(11.229)	(9.826)	(8.423)	-	-	-	-	-	-	
18	Average Plant		-	(12.739)	(11.931)	(10.528)	(9.125)	-	-	-	-	-	-	
19	Return @ BTWACC	12.70%	-	(0.270)	(1.515)	(1.337)	(1.159)	-	-	-	-	-	-	
20														
21	Transfer @ 11/1/2000													
22	Return of Investment		-	(0.352)	(2.309)	(2.309)	(2.309)	-	-	-	-	-	-	
23	Return on Investment		-	(0.270)	(1.515)	(1.337)	(1.159)	-	-	-	-	-	-	
24	Total Investment		-	(0.622)	(3.824)	(3.646)	(3.468)	-	-	-	-	-	-	

Cambridge Electric Light Company
Calculation of Residual Value Debit - Transfer of Regulatory Assets
\$ in Millions

Line	Description	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total
1	Proceeds	\$ (5.789)											
2	Tax Basis @ 7/1/1999	-											
3	Excess Proceeds vs. Tax	(5.789)											
4	Combined Federal and State Tax Rate	39.225%											
5	Deferred Taxes on Difference	(2.271)											
6	Beginning Plant Balance	\$ (5.789)	\$ (5.526)	\$ (4.973)	\$ (4.420)	\$ (3.867)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
7	Required Amortization	(0.263)	(0.553)	(0.553)	(0.553)	(0.553)	-	-	-	-	-	-	(2.475)
8	Ending Plant Balance	(5.526)	(4.973)	(4.420)	(3.867)	(3.314)	-	-	-	-	-	-	
9	E.I.S. Closing at December 31, 2003					3.314							
10	Revised Ending Plant Balance					-							
11	Beginning Accumulated Deferred Tax Balance	2.271	2.168	1.951	1.734	1.517	-	-	-	-	-	-	
12	Deferred Tax Provision	0.103	0.217	0.217	0.217	0.217	-	-	-	-	-	-	0.971
13	Ending Accumulated Deferred Tax Balance	2.168	1.951	1.734	1.517	1.300	-	-	-	-	-	-	
14	E.I.S. Closing at December 31, 2003					(1.300)							
15	Revised Ending Acc. Deferred Tax Balance					-							
16	Beginning Plant (Net of Deferred Taxes)	(3.518)	(3.358)	(3.022)	(2.686)	(2.350)	-	-	-	-	-	-	
17	Ending Plant (Net of Deferred Taxes)	(3.358)	(3.022)	(2.686)	(2.350)	(2.014)	-	-	-	-	-	-	
18	Average Plant	(3.438)	(3.190)	(2.854)	(2.518)	(2.182)	-	-	-	-	-	-	
19	Return @ BTWACC	4.69%	(0.081)	(0.150)	(0.134)	(0.118)	-	-	-	-	-	-	
20													
21	Transfer @ 7/1/1999												
22	Return of Investment	(0.263)	(0.553)	(0.553)	(0.553)	(0.553)	-	-	-	-	-	-	
23	Return on Investment	(0.081)	(0.150)	(0.134)	(0.118)	(0.102)	-	-	-	-	-	-	
24	Total Investment	(0.344)	(0.703)	(0.687)	(0.671)	(0.655)	-	-	-	-	-	-	

Cambridge Electric Light Company														
Calculation of Residual Value Credit - Remaining Kendall														
\$ in Millions														
Line	Description		1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total
1	Remaining Proceeds @ 1/1/2004	\$ 6.000												
2	Tax Basis	-												
3	Excess Proceeds vs. Tax	6.000												
4	Combined Federal and State Tax Rate	0.000%												
5	Deferred Taxes on Difference	-												
6	Beginning Plant Balance		-	-	-	-	-	6.000	5.000	4.000	3.000	2.000	1.000	
7	Required Amortization		-	-	-	-	-	1.000	1.000	1.000	1.000	1.000	1.000	6.000
8	Ending Plant Balance		-	-	-	-	-	5.000	4.000	3.000	2.000	1.000	-	
9	Beginning Accumulated Deferred Tax Balance		-	-	-	-	-	-	-	-	-	-	-	
10	Deferred Tax Provision		-	-	-	-	-	-	-	-	-	-	-	-
11	Ending Accumulated Deferred Tax Balance		-	-	-	-	-	-	-	-	-	-	-	
12	Beginning Plant (Net of Deferred Taxes)		-	-	-	-	-	6.000	5.000	4.000	3.000	2.000	1.000	
13	Ending Plant (Net of Deferred Taxes)		-	-	-	-	-	5.000	4.000	3.000	2.000	1.000	-	
14	Average Plant		-	-	-	-	-	5.500	4.500	3.500	2.500	1.500	0.500	
15	Return @ BTWACC	12.70%	-	-	-	-	-	0.698	0.572	0.445	0.318	0.190	0.064	
16														
17	Transfer @ 1/1/2004													
18	Return of Investment		-	-	-	-	-	1.000	1.000	1.000	1.000	1.000	1.000	
19	Return on Investment		-	-	-	-	-	0.698	0.572	0.445	0.318	0.190	0.064	
20	Total Investment		-	-	-	-	-	1.698	1.572	1.445	1.318	1.190	1.064	

EXHIBIT COM-CLV-1 (SETTLEMENT)

**Commonwealth Electric Company
Transition Charge Calculation
\$ in Millions**

Year	GWH Delivered	Transition Charge Billed	Revenues for Delivered GWH	Fixed Component	Variable Component	Mitigation Incentive & Other	Prior Year Deferral	Interest on Deferral	Expenses	(Over) Under Collection
Col. A	Col. B	Col. C	Col. D	Col. E	Col. F	Col. G	Col. H	Col. I	Col. J	Col. K
2002										\$ 81.510
2003	4,173.546	2.819	\$ 117.657	\$ 0.532	\$ 137.528	\$ (5.644)	\$ 81.510	\$ 3.122	\$ 217.048	99.391
2004	4,243.906	1.837	77.952	0.392	105.804	1.757	\$ 99.391	2.624	209.968	132.016
2005	4,313.300	2.660	114.734	0.092	95.025	(112.823)	132.016	2.178	116.488	1.754
2006	4,399.566	2.943	129.494	-	104.728	22.969	1.754	0.042	129.494	-
2007	4,487.557	2.578	115.674	-	93.496	22.178	-	-	115.674	-
2008	4,577.308	2.464	112.765	-	91.378	21.387	-	-	112.765	-
2009	4,668.855	2.157	100.701	-	80.117	20.584	-	-	100.701	-
2010	4,762.232	2.058	98.004	-	78.212	19.792	-	-	98.004	-
2011	4,857.476	1.953	94.850	-	75.849	19.001	-	-	94.850	-
2012	4,954.626	1.851	91.720	-	73.510	18.210	-	-	91.720	-
2013	5,053.718	1.018	51.452	-	47.023	4.429	-	-	51.452	-
2014	5,154.793	0.777	40.036	-	40.036	-	-	-	40.036	-
2015	5,257.889	0.745	39.151	-	39.151	-	-	-	39.151	-
2016	5,363.046	0.348	18.684	-	18.684	-	-	-	18.684	-
2017	5,470.307	0.093	5.071	-	5.071	-	-	-	5.071	-
2018	5,579.713	0.088	4.923	-	4.923	-	-	-	4.923	-
2019	5,691.308	0.084	4.770	-	4.770	-	-	-	4.770	-
2020	5,805.134	0.079	4.612	-	4.612	-	-	-	4.612	-
2021	5,921.237	0.083	4.908	-	4.908	-	-	-	4.908	-
2022	6,039.661	0.041	2.504	-	2.504	-	-	-	2.504	-
2023	6,160.455	0.012	0.755	-	0.755	-	-	-	0.755	-

Col. B: 2003 per Page 2, Line 15; 2004 per Page 3, Line 15; 2005 per sales forecast; years 2006 and beyond assumes 2% growth per annum.

Col. C: 2003 per Page 2, Line 15; 2004 per Page 3, Line 15; 2005 equals 15% Rate Cap Transition Charge Rate; 2006 and beyond equals Col. J / Col. B.

Col. D: 2003 per Page 2, Line 15; 2004 per Page 3, Line 15; 2005 equals Col. B * Col. C; 2006 and beyond equals Col. J.

Col. E: Page 4, Col. H.

Col. F: Page 5, Col. K.

Col. G: Page 6, Col. N.

Col. H: Col. K prior year.

Col. I: Col. H times interest rate on customer deposits; 2002 ending balance = 3.83%; 2003 ending balance = 2.64%; 2004 ending balance = 1.65%; Post 2004 = 2.38%.

Col. J: Sum of Col. E thru Col. I.

Col. K: 2002 per D.T.E. 02-80B (Settlement); 2003 and beyond equals Col. J - Col. D.

Commonwealth Electric Company
Actual 2003 Transition Revenues
\$ in Millions

Line	Description	GWH	A/C #	Per Book \$	Total
1	<u>2003 Transition Billed Revenues:</u>				
2	Residential Transition	2,064.405	440160	\$ 56.348	
3	Commercial Transition	1,734.871	442500	47.014	
4	Industrial Transition	366.634	442430	9.471	
5	Street Light Transition	16.039	444060	0.437	
6	Total Billed Revenues	4,181.949			\$ 113.270
7	<u>2003 Transition Unbilled Revenues:</u>				
8	Less: Residential Transition Unbilled @ 12/31/02	(91.151)			
9	Plus: Residential Transition Unbilled @ 12/31/03	87.671	440162	\$ 2.145	
10	Less: Industrial Transition Unbilled @ 12/31/02	(18.078)			
11	Plus: Industrial Transition Unbilled @ 12/31/03	16.734	442435	0.360	
12	Less: Commercial Transition Unbilled @ 12/31/02	(81.065)			
13	Plus: Commercial Transition Unbilled @ 12/31/03	77.486	442505	1.882	
14	Total Unbilled Revenues	(8.403)			\$ 4.387
15	Total 2003 Transition Revenues	4,173.546	2.819		\$ 117.657

Commonwealth Electric Company
Actual 2004 Transition Revenues
\$ in Millions

Line	Description	GWH	A/C #	Per Book \$	Total
1	<u>2004 Transition Billed Revenues:</u>				
2	Residential Transition	2,069.532	440160	\$ 39.050	
3	Commercial Transition	1,774.522	442500	33.142	
4	Industrial Transition	358.846	442430	6.571	
5	Street Light Transition	15.805	444060	0.290	
6	Total Billed Revenues	4,218.705			\$ 79.052
7	<u>2004 Transition Unbilled Revenues:</u>				
8	Less: Residential Transition Unbilled @ 12/31/03	(87.672)			
9	Plus: Residential Transition Unbilled @ 12/31/04	112.040	440162	\$ (0.310)	
10	Less: Industrial Transition Unbilled @ 12/31/03	(16.734)			
11	Plus: Industrial Transition Unbilled @ 12/31/04	13.683	442435	(0.191)	
12	Less: Commercial Transition Unbilled @ 12/31/03	(77.486)			
13	Plus: Commercial Transition Unbilled @ 12/31/04	81.369	442505	(0.599)	
14	Total Unbilled Revenues	25.201			\$ (1.100)
15	Total 2004 Transition Revenues	4,243.906	1.837		\$ 77.952

Commonwealth Electric Company Summary of Transition Charge - Fixed Component \$ in Millions

Year	Commonwealth Electric Company		Residual Value Credit				Net Fixed Component
	Pre-Tax Return on Generation Related Assets	Amortization of Generation Related Assets	Pre-Tax Return on Commonwealth Generation Recovery/(Proceeds)	Amortization of Commonwealth Generation Recovery/(Proceeds)	Pre-Tax Return on Canal Related Generation Recovery/(Proceeds)	Amortization of Canal Related Generation Recovery/(Proceeds)	
Col. A	Col. B	Col. C	Col. D	Col. E	Col. F	Col. G	Col. H
2003	\$ 0.103	\$ 0.157	\$ 0.041	\$ 0.114	\$ 0.099	\$ 0.018	\$ 0.532
2004	0.087	0.157	0.034	0.114	-	-	0.392
2005	0.018	0.039	0.007	0.028	-	-	0.092
2006	-	-	-	-	-	-	-
2007	-	-	-	-	-	-	-
2008	-	-	-	-	-	-	-
2009	-	-	-	-	-	-	-

Note: Amounts per D.T.E. 03-118/04-114 (Settlement), Exhibit COM-CLV-2A.
Col. H equals Sum of Col. B through Col. G.
2005 includes January to March only; post March 2005 eliminated due to Securitization.

Commonwealth Electric Company
Summary of Transition Charge - Variable Component
\$ in Millions

Year	Actual Power Total Obligations	Actual Power Contracts Market Value	Net Power Obligation	Actual Power Contract Buyouts	Future Use	Revenue Credits & Damages, Costs, or net Recoveries	Other	Rate Design Adjustment	Reversal of Prior Year Rate Design Adjustment	Actual Total Variable Component
Col. A	Col. B	Col. C	Col. D	Col. E	Col. F	Col. G	Col. H	Col. I	Col. J	Col. K
2003	\$ 210.115	\$ 87.684	\$ 122.431	\$ 12.461	\$ -	\$ 1.264	\$ -	\$ 1.372	\$ -	\$ 137.528
2004	213.838	112.989	100.849	5.309	-	1.293	-	(0.275)	(1.372)	105.804
2005	148.909	53.988	94.921	-	-	1.375	-	(1.546)	0.275	95.025
2006	144.279	42.362	101.917	-	-	1.265	-	-	1.546	104.728
2007	132.456	39.620	92.836	-	-	0.660	-	-	-	93.496
2008	132.149	40.881	91.268	-	-	0.110	-	-	-	91.378
2009	122.108	42.101	80.007	-	-	0.110	-	-	-	80.117
2010	122.192	44.090	78.102	-	-	0.110	-	-	-	78.212
2011	121.588	45.849	75.739	-	-	0.110	-	-	-	75.849
2012	120.942	47.487	73.455	-	-	0.055	-	-	-	73.510
2013	96.445	49.422	47.023	-	-	-	-	-	-	47.023
2014	90.816	50.780	40.036	-	-	-	-	-	-	40.036
2015	91.304	52.153	39.151	-	-	-	-	-	-	39.151
2016	37.254	18.570	18.684	-	-	-	-	-	-	18.684
2017	9.527	4.456	5.071	-	-	-	-	-	-	5.071
2018	9.566	4.643	4.923	-	-	-	-	-	-	4.923
2019	9.607	4.837	4.770	-	-	-	-	-	-	4.770
2020	9.650	5.038	4.612	-	-	-	-	-	-	4.612
2021	10.153	5.245	4.908	-	-	-	-	-	-	4.908
2022	7.963	5.459	2.504	-	-	-	-	-	-	2.504
2023	2.654	1.899	0.755	-	-	-	-	-	-	0.755

Legend:

Col. B:	Page 7, Column T.
Col. C:	Page 8, Column T.
Col. D:	Col. B - Col. C (see also Page 9, Column T).
Col. E:	CPC Lowell buyout payment, 54 months starting December 1999. 2003 includes Seabrook Buyout Adjustment = (\$0.280).
Col. G:	Exhibit COM-CLV-2, Page 1, Col. I.
Col. I:	Exhibit COM-HCL-6, Page 1, Col. E.
Col. J:	Reversal of Prior Year Col. I.
Col. K:	Col. D + Col. E + Col. F + Col. G + Col. H + Col. I + Col. J.

Commonwealth Electric Company
Summary of Transition Charge - Other Adjustments
\$ in Millions

Year	EIS	Mitigation Incentive												Total Other Adjustments
	Return on Investment Adjustment	Mitigation Incentive Adjustment	Future Use	Other Adjustment	Deferral Recovery	Securitization Debt Service Payments	Hydro Quebec Transmission	Fixed Component	Lowell Cogen. Buyout	Pilgrim Contract Buyout	Seabrook Buydown	Seabrook Buyout		
Col. A	Col. B	Col. C	Col. D	Col. E	Col. F	Col. G	Col. H	Col. I	Col. J	Col. K	Col. L	Col. M	Col. N	
2003	\$ (7.291)	\$ 0.007	\$ -	\$ 0.112	\$ -	\$ -	\$ 0.020	\$ 0.237	\$ (0.105)	\$ 0.670	\$ 0.510	\$ 0.196	\$ (5.644)	
2004	-	0.041	-	-	-	-	0.013	0.231	0.327	0.524	0.496	0.125	1.757	
2005	-	5.480	-	0.050	(136.608)	17.737	0.012	0.057	0.105	0.178	0.121	0.046	(112.823)	
2006	-	-	-	-	-	22.957	0.012	-	-	-	-	-	22.969	
2007	-	-	-	-	-	22.166	0.012	-	-	-	-	-	22.178	
2008	-	-	-	-	-	21.375	0.012	-	-	-	-	-	21.387	
2009	-	-	-	-	-	20.584	-	-	-	-	-	-	20.584	
2010	-	-	-	-	-	19.792	-	-	-	-	-	-	19.792	
2011	-	-	-	-	-	19.001	-	-	-	-	-	-	19.001	
2012	-	-	-	-	-	18.210	-	-	-	-	-	-	18.210	
2013	-	-	-	-	-	4.429	-	-	-	-	-	-	4.429	
2014	-	-	-	-	-	-	-	-	-	-	-	-	-	
2015	-	-	-	-	-	-	-	-	-	-	-	-	-	
2016	-	-	-	-	-	-	-	-	-	-	-	-	-	
2017	-	-	-	-	-	-	-	-	-	-	-	-	-	
2018	-	-	-	-	-	-	-	-	-	-	-	-	-	
2019	-	-	-	-	-	-	-	-	-	-	-	-	-	
2020	-	-	-	-	-	-	-	-	-	-	-	-	-	
2021	-	-	-	-	-	-	-	-	-	-	-	-	-	
2022	-	-	-	-	-	-	-	-	-	-	-	-	-	
2023	-	-	-	-	-	-	-	-	-	-	-	-	-	

Col. B: Interest true-up through year-end 2003.

Col. C: 2003 true-up adjustment to actual of Column K and 4 percent of Seabrook Buyout Adjustment.

2004 true-up adjustment to actual of Columns J and K + NPV of 4 percent of Altresco-Pittsfield Buyout savings.

2005 NPV of 4 percent of NEA, Masspower and Dartmouth Buyout savings and savings from Securitization.

Col. E: 2003 - E.I.S. Closing \$112.

2005 adjustment per D.T.E. 04-60 Altresco-Pittsfield Order, Page 26, Footnote 9.

Col. F: D.T.E. 04-114 (Supp), Exhibit COM-CLV-1, Page 5, Column F.

Col. G: D.T.E. 04-70, Exhibit NSTAR-GOL-4, Page 5, Col. E2.

Col. H: Equals 4 percent of Page 7, Col. Q.

Cols. I to M: 2005 includes Jan to March only; post March 2005 eliminated due to Securitization.

Commonwealth Electric Company
Power Contract Obligations
Annual Obligations in Millions of Dollars

Year	Dartmouth Power	Altresco- Pittsfield	NEA 1 Bellingham (25MW)	NEA 2 Bellingham (21MW)	Mass- Power 1	Mass- Power 2	Chicopee Hydro	Collins Hydro	Boott Hydro	Pioneer Hydro	Pilgrim	SEMASS	SEMASS Expansion	Hydro Quebec Phase 1	Hydro Quebec Phase 2	Hydro Quebec Mitigation	Seabrook 1	Yankee Atomic	Total
Col. A	Col. B	Col. C	Col. D	Col. E	Col. F	Col. G	Col. H	Col. I	Col. J	Col. K	Col. L	Col. M	Col. N	Col. O	Col. P	Col. Q	Col. R	Col. S	Col. T
2003																			
2004																			
Jan - Mar																			
Apr - Dec																			
2005																			
2006																			
2007																			
2008																			
2009																			
2010																			
2011																			
2012																			
2013																			
2014																			
2015																			
2016																			
2017																			
2018																			
2019																			
2020																			
2021																			
2022																			
2023																			

REDACTED

Note:

2004 - Col. B through Col. N per D.T.E. 04-114, Exhibit COM-CLV-4 (Supp), Page 3.

2005 (Jan to Mar) - Col. B through Col. N per D.T.E. 04-114, Exhibit COM-CLV-6 (Supp), Page 3.

Post March 2005 per Company forecast.

Commonwealth Electric Company
Power Contract Obligations
Annual Market in Millions of Dollars

Year	Dartmouth Power	Altresco- Pittsfield	NEA 1 Bellingham (25MW)	NEA 2 Bellingham (21MW)	Mass- Power 1	Mass- Power 2	Chicopee Hydro	Collins Hydro	Boott Hydro	Pioneer Hydro	Pilgrim	SEMASS	SEMASS Expansion	Hydro Quebec Phase 1	Hydro Quebec Phase 2	Hydro Quebec Mitigation	Seabrook 1	Yankee Atomic	Total
Col. A	Col. B	Col. C	Col. D	Col. E	Col. F	Col. G	Col. H	Col. I	Col. J	Col. K	Col. L	Col. M	Col. N	Col. O	Col. P	Col. Q	Col. R	Col. S	Col. T
2003																			
2004																			
Jan - Mar																			
Apr - Dec																			
2005																			
2006																			
2007																			
2008																			
2009																			
2010																			
2011																			
2012																			
2013																			
2014																			
2015																			
2016																			
2017																			
2018																			
2019																			
2020																			
2021																			
2022																			
2023																			

REDACTED

Note:

2004 - Col. B through Col. N per D.T.E. 04-114, Exhibit COM-CLV-4 (Supp), Page 2.

2005 (Jan to Mar) - Col. B through Col. N per D.T.E. 04-114, Exhibit COM-CLV-6 (Supp), Page 2.

Post March 2005 per Company forecasts.

Commonwealth Electric Company
Power Contract Obligations
Annual Above Market in Millions of Dollars

Year	Dartmouth Power	Altresco- Pittsfield	NEA 1 Bellingham (25MW)	NEA 2 Bellingham (21MW)	Mass- Power 1	Mass- Power 2	Chicopee Hydro	Collins Hydro	Boott Hydro	Pioneer Hydro	Pilgrim	SEMASS	SEMASS Expansion	Hydro Quebec Phase 1	Hydro Quebec Phase 2	Hydro Quebec Mitigation	Seabrook 1	Yankee Atomic	Total
Col. A	Col. B	Col. C	Col. D	Col. E	Col. F	Col. G	Col. H	Col. I	Col. J	Col. K	Col. L	Col. M	Col. N	Col. O	Col. P	Col. Q	Col. R	Col. S	Col. T
2003																			
2004																			
Jan - Mar																			
Apr - Dec																			
2005																			
2006																			
2007																			
2008																			
2009																			
2010																			
2011																			
2012																			
2013																			
2014																			
2015																			
2016																			
2017																			
2018																			
2019																			
2020																			
2021																			
2022																			
2023																			

REDACTED

Note:

EXHIBIT COM-CLV-2 (SETTLEMENT)

Commonwealth Electric Company
Revenue Credits & Damages, Costs, or Net Recoveries from Claims
\$ in Millions

Year	Payment in Lieu of Property Tax	Claims and Recoveries	Sales of Property	Future Use	Securitization True-Up	DOE/SNF Litigation	Future Use	Cannon St. Emission Credits	Total
	Col. A	Col. B	Col. C	Col. D	Col. E	Col. F	Col. G	Col. H	Col. I
2003	\$ 1.429	\$ (0.208)	\$ (0.001)	\$ -	\$ -	\$ 0.044	\$ -	\$ -	\$ 1.264
2004	1.430	(0.191)	-	-	-	0.056	-	(0.002)	1.293
2005	1.375	-	-	-	-	-	-	-	1.375
2006	1.265	-	-	-	-	-	-	-	1.265
2007	0.660	-	-	-	-	-	-	-	0.660
2008	0.110	-	-	-	-	-	-	-	0.110
2009	0.110	-	-	-	-	-	-	-	0.110
2010	0.110	-	-	-	-	-	-	-	0.110
2011	0.110	-	-	-	-	-	-	-	0.110
2012	0.055	-	-	-	-	-	-	-	0.055

Notes: Col. A per Page 2.
Col. B per Page 3.
Col. C per Page 4.
Col. F per Page 5 & 6.
Col. H per Page 7.
Col. I equals Sum of Col. A thru Col. H.

**Commonwealth Electric Company
Payments in Lieu of Property Taxes
\$ in Millions**

Year	Actual/Required Payment to Town	Entergy Direct Payments	Net BECo Payments	Contract Customer Share
	Col. A	Col. B	Col. C	Col. D
2003	\$ 12.995	\$ -	\$ 12.995	\$ 1.429
2004	13.000	-	13.000	1.430
2005	12.500	-	12.500	1.375
2006	11.500	-	11.500	1.265
2007	6.000	-	6.000	0.660
2008	1.000	-	1.000	0.110
2009	1.000	-	1.000	0.110
2010	1.000	-	1.000	0.110
2011	1.000	-	1.000	0.110
2012	0.500	-	0.500	0.055

Notes: Col. A Actual property tax payment for 2003 and 2004, future years per tax agreement with Town of Plymouth
Approved in D.T.E. 98-53.
Col. B equals Actual Payments received from Entergy, if any.
Col. C equals Col. A - Col. B.
Col. D equals 11% of Col. C.

**Commonwealth Electric Company
Claims and Recoveries
\$ in Millions**

		<u>2003</u>	<u>2004</u>
<u>Line</u>	<u>NEIL Insurance Credit Refund:</u>		
1	Entergy NEIL Credit for Pilgrim	\$ (2.271)	\$ (2.052)
2	Percentage paid to BECo per Pilgrim P & S	<u>85%</u>	<u>85%</u>
3	BECo Share of Pilgrim NEIL Credit to be received by 12/31	\$ (1.930)	\$ (1.744)
4	11 % Contract Customer Share	\$ (0.212)	\$ (0.192)
5	<u>Maxey Flats LLC Expenses:</u>		
6	2004 Maxey Flats Payment	\$ 0.037	\$ 0.005
7	Less: Payment received from American Ecology	<u>-</u>	<u>-</u>
8	Net Maxey Flats Payments	\$ 0.037	\$ 0.005
9	11 % Contract Purchaser Share	\$ 0.004	\$ 0.001
10	Total Pilgrim Adjustments	<u>\$ (0.208)</u>	<u>\$ (0.191)</u>

Commonwealth Electric Light Company
Property Sales
\$ in Millions

<u>Description</u>	<u>Sale Date</u>	<u>Book Value</u>	<u>Sale Proceeds</u>	<u>Transaction Costs</u>	<u>Gain/ (Loss)</u>
15 Church Street, Tisbury, MA		\$ -	\$ -	\$ (0.001)	\$ 0.001
Total Adjustment to Gain on Properties Sold - 2003					<u>\$ 0.001</u>

Commonwealth Electric Company
Department of Energy (DOE)/Spent Nuclear Fuel (SNF)
Litigation Expense
\$ in Millions

	<u>Invoice Date</u>	<u>Vendor</u>	<u>Invoice Amount</u>
	<u>2003</u>		
1	19-Oct-98	Bruder, Gentile & Marcoux, LLP	\$ 0.001
2	16-Nov-98	Bruder, Gentile & Marcoux, LLP	\$ 0.001
3	18-Dec-98	Bruder, Gentile & Marcoux, LLP	\$ 0.000
4	1-Feb-99	Bruder, Gentile & Marcoux, LLP	\$ 0.005
5	25-Feb-99	Bruder, Gentile & Marcoux, LLP	\$ 0.027
6	30-Mar-99	Bruder, Gentile & Marcoux, LLP	\$ 0.001
7	17-May-99	Bruder, Gentile & Marcoux, LLP	\$ 0.011
8	9-Jun-99	Bruder, Gentile & Marcoux, LLP	\$ 0.000
9			
10	Subtotal	Bruder, Gentile & Marcoux, LLP	\$ 0.047
11			
12	15-Oct-03	Dickstein Shapiro Morin & Oshinsky, LLP	\$ 0.065
13	28-Nov-03	Dickstein Shapiro Morin & Oshinsky, LLP	\$ 0.046
14	22-Dec-03	Dickstein Shapiro Morin & Oshinsky, LLP	\$ 0.059
15	27-Jan-04	Dickstein Shapiro Morin & Oshinsky, LLP	\$ 0.060
16			
17	Subtotal	Dickstein Shapiro Morin & Oshinsky, LLP	\$ 0.230
18			
19	17-Nov-01	Ropes & Gray	\$ 0.002
20	17-Dec-01	Ropes & Gray	\$ 0.011
21	11-Jan-02	Ropes & Gray	\$ 0.006
22			
23	Subtotal	Ropes & Gray	\$ 0.018
24			
25	31-Mar-98	Shaw Pittman, LLP	\$ 0.004
26	31-Aug-98	Shaw Pittman, LLP	\$ 0.002
27	17-Feb-99	Shaw Pittman, LLP	\$ 0.005
28	16-Aug-99	Shaw Pittman, LLP	\$ 0.010
29	15-Oct-99	Shaw Pittman, LLP	\$ 0.002
30	10-Oct-00	Shaw Pittman, LLP	\$ 0.001
31	27-Nov-00	Shaw Pittman, LLP	\$ 0.002
32	15-Feb-01	Shaw Pittman, LLP	\$ 0.001
33	12-Jul-01	Shaw Pittman, LLP	\$ 0.001
34	10-Aug-01	Shaw Pittman, LLP	\$ 0.001
35	13-Sep-01	Shaw Pittman, LLP	\$ 0.000
36	15-Oct-01	Shaw Pittman, LLP	\$ 0.002
37	12-Nov-01	Shaw Pittman, LLP	\$ 0.012
38	20-Dec-01	Shaw Pittman, LLP	\$ 0.001
39	11-Jan-02	Shaw Pittman, LLP	\$ 0.011
40	13-Feb-02	Shaw Pittman, LLP	\$ 0.010
41	12-Mar-02	Shaw Pittman, LLP	\$ 0.001
42	22-May-02	Shaw Pittman, LLP	\$ 0.001
43	7-Jun-02	Shaw Pittman, LLP	\$ 0.000
44	11-Jul-02	Shaw Pittman, LLP	\$ 0.005
45	8-Aug-02	Shaw Pittman, LLP	\$ 0.003
46	17-Sep-02	Shaw Pittman, LLP	\$ 0.000

Commonwealth Electric Company
Department of Energy (DOE)/Spent Nuclear Fuel (SNF)
Litigation Expense
\$ in Millions

	Invoice Date	Vendor	Invoice Amount
47	8-Oct-02	Shaw Pittman, LLP	\$ 0.003
48	7-Nov-02	Shaw Pittman, LLP	\$ 0.000
49	10-Dec-02	Shaw Pittman, LLP	\$ 0.005
50	15-Jan-03	Shaw Pittman, LLP	\$ 0.002
51	10-Feb-03	Shaw Pittman, LLP	\$ 0.005
52	11-Mar-03	Shaw Pittman, LLP	\$ 0.005
53	8-Apr-03	Shaw Pittman, LLP	\$ 0.010
54	9-May-03	Shaw Pittman, LLP	\$ 0.001
55	10-Jun-03	Shaw Pittman, LLP	\$ 0.003
56	11-Jul-03	Shaw Pittman, LLP	\$ 0.000
57	11-Sep-03	Shaw Pittman, LLP	\$ 0.001
58	13-Jan-04	Shaw Pittman, LLP	\$ 0.000
59			
60	Subtotal	Shaw Pittman, LLP	\$ 0.110
61			
62	DOE/SNF Litigation Expenses Incurred in 2003		\$ 0.406
63	11% Contract Customer Share		\$ 0.044

2004

1	29-Jan-04	Dickstein Shapiro Morin & Oshinsky, LLP	\$ 0.011
2	23-Feb-04	Dickstein Shapiro Morin & Oshinsky, LLP	\$ 0.006
3	23-Feb-04	Dickstein Shapiro Morin & Oshinsky, LLP	\$ 0.053
4	22-Mar-04	Dickstein Shapiro Morin & Oshinsky, LLP	\$ 0.042
5	22-Mar-04	Dickstein Shapiro Morin & Oshinsky, LLP	\$ 0.002
6	27-Apr-04	Dickstein Shapiro Morin & Oshinsky, LLP	\$ 0.030
7	28-Apr-04	Dickstein Shapiro Morin & Oshinsky, LLP	\$ 0.001
8	28-May-04	Dickstein Shapiro Morin & Oshinsky, LLP	\$ 0.046
9	28-May-04	Dickstein Shapiro Morin & Oshinsky, LLP	\$ 0.001
10	29-Jun-04	Dickstein Shapiro Morin & Oshinsky, LLP	\$ 0.054
11	29-Jun-04	Dickstein Shapiro Morin & Oshinsky, LLP	\$ 0.001
12	21-Jul-04	Dickstein Shapiro Morin & Oshinsky, LLP	\$ 0.064
13	21-Jul-04	Dickstein Shapiro Morin & Oshinsky, LLP	\$ 0.002
14	18-Aug-04	Dickstein Shapiro Morin & Oshinsky, LLP	\$ 0.056
15	30-Sep-04	Dickstein Shapiro Morin & Oshinsky, LLP	\$ 0.000
16	30-Sep-04	Dickstein Shapiro Morin & Oshinsky, LLP	\$ 0.066
17	22-Oct-04	Dickstein Shapiro Morin & Oshinsky, LLP	\$ 0.041
18	22-Oct-04	Dickstein Shapiro Morin & Oshinsky, LLP	\$ 0.000
19	19-Nov-04	Dickstein Shapiro Morin & Oshinsky, LLP	\$ 0.029
20	19-Nov-04	Dickstein Shapiro Morin & Oshinsky, LLP	\$ 0.003
21			
22	Subtotal	Dickstein Shapiro Morin & Oshinsky, LLP	\$ 0.507
23			
24	16-Mar-04	Shaw Pittman, LLP	\$ 0.002
25			
26	DOE/SNF Litigation Expenses Incurred in 2004		\$ 0.509
27	11% Contract Customer Share		\$ 0.056

Commonwealth Electric Company
Cannon Street Emission Credit
\$ in Millions

<u>Line</u>	<u>Description</u>	<u>2004</u>
1	Total SO2 Emission Credit Revenue	<u>\$ (0.002)</u>

EXHIBIT COM-CLV-2A (SETTLEMENT)

**Commonwealth Electric Company
Summary of Transition Charge - Fixed Component
\$ in Millions**

Year	Commonwealth Electric Company		Residual Value Credit				Net Fixed Component
	Pre-Tax Return on Generation Related Assets	Amortization of Generation Related Assets	Pre-Tax Return on Commonwealth Generation Recovery/(Proceeds)	Amortization of Commonwealth Generation Recovery/(Proceeds)	Pre-Tax Return on Canal Related Generation Recovery/(Proceeds)	Amortization of Canal Related Generation Recovery/(Proceeds)	
Col. A	Col. B	Col. C	Col. D	Col. E	Col. F	Col. G	Col. H
2003	\$0.103	\$0.157	\$0.041	\$0.114	\$0.099	\$0.018	\$0.532
2004	0.087	0.157	0.034	0.114	0.000	0.000	0.392
2005	0.018	0.039	0.007	0.028	0.000	0.000	0.092
2006	0.000	0.000	0.000	0.000	0.000	0.000	0.000
2007	0.000	0.000	0.000	0.000	0.000	0.000	0.000
2008	0.000	0.000	0.000	0.000	0.000	0.000	0.000
2009	0.000	0.000	0.000	0.000	0.000	0.000	0.000

Notes:

Col B See Page 2, Line 24.
Col C See Page 2, Line 10.
Col D See Page 3, Line 28.
Col E See Page 3, Line 14.
Col F See Pages 4, 6, 7, 8, 9, 10, 11, & 12, Line 24.
Col G See Pages 4, 6, 7, 8, 9, 10, 11, & 12, Line 10.
Col H Sum of Columns B through G.

Commonwealth Electric Company
Calculation of Transition Charge (Commonwealth Owned Generation) per Compliance Filing
\$ in Millions

Line		1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total
1	Book Basis @ 1/1/1999	\$1.722											
2													
3	Tax Basis @ 1/1/1999	<u>0.629</u>											
4													
5	Excess Book vs. Tax	<u>1.093</u>											
6	Combined Federal and State Tax Rate	39.225%											
7	Deferred Taxes on Basis Difference	<u>0.429</u>											
8													
9	Beginning Plant Balance	1.722	1.565	1.408	1.251	1.094	0.937	0.780	-	-	-	-	
10	Required Amortization	<u>0.157</u>	<u>0.157</u>	<u>0.157</u>	<u>0.157</u>	<u>0.157</u>	<u>0.157</u>	<u>0.039</u>	-	-	-	-	0.981
11	Ending Plant Balance	1.565	1.408	1.251	1.094	0.937	0.780	0.741	-	-	-	-	
12	Securitization on March 31, 2005							(0.741)					
13	Revised Ending Plant Balance							-					
14													
15	Beginning Accumulated Deferred Tax Balance	(0.429)	(0.390)	(0.351)	(0.312)	(0.273)	(0.234)	(0.195)	-	-	-	-	
16	Deferred Tax Provision	<u>(0.039)</u>	<u>(0.039)</u>	<u>(0.039)</u>	<u>(0.039)</u>	<u>(0.039)</u>	<u>(0.039)</u>	<u>(0.010)</u>	-	-	-	-	(0.244)
17	Ending Accumulated Deferred Tax Balance	(0.390)	(0.351)	(0.312)	(0.273)	(0.234)	(0.195)	(0.185)	-	-	-	-	
18	Securitization on March 31, 2005							0.185					
19	Revised Ending Acc. Deferred Tax Balance							-					
20													
21	Beginning Plant (Net of Deferred Taxes)	1.293	1.175	1.057	0.939	0.821	0.703	0.585	-	-	-	-	
22	Ending Plant (Net of Deferred Taxes)	<u>1.175</u>	<u>1.057</u>	<u>0.939</u>	<u>0.821</u>	<u>0.703</u>	<u>0.585</u>	-	-	-	-	-	
23	Average Plant	1.234	1.116	0.998	0.880	0.762	0.644	0.143	-	-	-	-	
24	Return @ BTWACC (COM 12/31/1995)	13.49%	0.166	0.151	0.135	0.119	0.103	0.018	-	-	-	-	
25													
26													
27		NPV											
28	Per Compliance Filing:	@ ATWACC											
29	Return of Investment		0.157	0.157	0.157	0.157	0.157	0.039	-	-	-	-	
30	Return on Investment		<u>0.166</u>	<u>0.151</u>	<u>0.135</u>	<u>0.119</u>	<u>0.103</u>	<u>0.018</u>	-	-	-	-	
31		8.20%											
32	Total Investment	\$1.354	<u>0.323</u>	<u>0.308</u>	<u>0.292</u>	<u>0.276</u>	<u>0.260</u>	<u>0.244</u>	-	-	-	-	

Commonwealth Electric Company
Calculation of Residual Value Credit - Sale of Commonwealth Owned Generation
\$ in Millions

Line		1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total
1	Gross Proceeds (Net of Transaction Costs)	(\$1.057)											
2	Capital Investment Depreciation Revision	(0.013)											
3	Lost Revenues Revision	(0.194)											
4	Depreciation Revision	0.014											
5	Gross Proceeds (Revised)	(\$1.250)											
6													
7	Tax Basis @ 1/1/1999	0.629											
8													
9	Excess Proceeds vs. Tax	(1.879)											
10	Combined Federal and State Tax Rate	39.225%											
11	Deferred Taxes on Difference	(0.737)											
12													
13	Beginning Plant Balance	(1.250)	(1.136)	(1.022)	(0.908)	(0.794)	(0.680)	(0.566)	-	-	-	-	
14	Required Amortization	(0.114)	(0.114)	(0.114)	(0.114)	(0.114)	(0.114)	(0.028)	-	-	-	-	(0.712)
15	Ending Plant Balance	(1.136)	(1.022)	(0.908)	(0.794)	(0.680)	(0.566)	(0.538)	-	-	-	-	
16	Securitization on March 31, 2005							0.538					
17	Revised Ending Plant Balance							-					
18													
19	Beginning Accumulated Deferred Tax Balance	0.737	0.670	0.603	0.536	0.469	0.402	0.335	-	-	-	-	
20	Deferred Tax Provision	0.067	0.067	0.067	0.067	0.067	0.067	0.017	-	-	-	-	0.419
21	Ending Accumulated Deferred Tax Balance	0.670	0.603	0.536	0.469	0.402	0.335	0.318	-	-	-	-	
22	Securitization on March 31, 2005							(0.318)					
23	Revised Ending Acc. Deferred Tax Balance							-					
24													
25	Beginning Plant (Net of Deferred Taxes)	(0.513)	(0.466)	(0.419)	(0.372)	(0.325)	(0.278)	(0.231)	-	-	-	-	
26	Ending Plant (Net of Deferred Taxes)	(0.466)	(0.419)	(0.372)	(0.325)	(0.278)	(0.231)	-	-	-	-	-	
27	Average Plant	(0.490)	(0.443)	(0.396)	(0.349)	(0.302)	(0.255)	(0.056)	-	-	-	-	
28	Return @ BTWACC (COM 12/31/1995)	13.49%	(0.066)	(0.060)	(0.053)	(0.047)	(0.041)	(0.007)	-	-	-	-	
29													
30													
31		NPV											
32	Sale @ 1/1/1999	@ ATWACC											
33													
34	Return of Investment		(0.114)	(0.114)	(0.114)	(0.114)	(0.114)	(0.028)	-	-	-	-	
35	Return on Investment		(0.066)	(0.060)	(0.053)	(0.047)	(0.041)	(0.034)	-	-	-	-	
36		8.20%											
37	Total Investment	(\$0.781)	(0.180)	(0.174)	(0.167)	(0.161)	(0.155)	(0.148)	-	-	-	-	

Commonwealth Electric Company
Calculation of Residual Value Credit - Sale of Canal Owned Generation - Excess Net Book Value
\$ in Millions

Line		1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total
1	Gross Proceeds (Net of Transaction Costs)	\$303.543											
2													
3	Tax Basis @ 1/1/1999	0.000											
4													
5	Excess Proceeds vs. Tax	303.543											
6	Combined Federal and State Tax Rate	39.225%											
7	Deferred Taxes on Difference	119.065											
8													
9	Beginning Plant Balance	303.543	275.948	248.353	220.758	193.163	-	-	-	-	-	-	
10	Required Amortization	27.595	27.595	27.595	27.595	27.595	-	-	-	-	-	-	137.975
11	Ending Plant Balance	275.948	248.353	220.758	193.163	165.568	-	-	-	-	-	-	
12	E.I.S. Closing at December 31, 2003					(165.568)							
13	Revised Ending Plant Balance					-							
14													
15	Beginning Accumulated Deferred Tax Balance	(119.065)	(108.241)	(97.417)	(86.593)	(75.769)	-	-	-	-	-	-	
16	Deferred Tax Provision	(10.824)	(10.824)	(10.824)	(10.824)	(10.824)	-	-	-	-	-	-	(54.120)
17	Ending Accumulated Deferred Tax Balance	(108.241)	(97.417)	(86.593)	(75.769)	(64.945)	-	-	-	-	-	-	
18	E.I.S. Closing at December 31, 2003					64.945							
19	Revised Ending Acc. Deferred Tax Balance					-							
20													
21	Beginning Plant (Net of Deferred Taxes)	184.478	167.707	150.936	134.165	117.394	-	-	-	-	-	-	
22	Ending Plant (Net of Deferred Taxes)	167.707	150.936	134.165	117.394	100.623	-	-	-	-	-	-	
23	Average Plant	176.093	159.322	142.551	125.780	109.009	-	-	-	-	-	-	
24	Return @ BTWACC	4.69%	8.259	7.472	6.686	5.899	-	-	-	-	-	-	
25													
26													
27													
28	Sale @ 1/1/1999												
29													
30	Return of Investment	27.595	27.595	27.595	27.595	27.595	-	-	-	-	-	-	
31	Return on Investment	8.259	7.472	6.686	5.899	5.112	-	-	-	-	-	-	
32													
33	Total Investment	35.854	35.067	34.281	33.494	32.707	-	-	-	-	-	-	

Commonwealth Electric Company
Calculation of Residual Value Debit - Pilgrim Buyout
\$ in Millions

Line		1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total
1	7/1/1999 Initial Filing Balance	(\$6.449)	(\$13.172)	(\$12.876)	(\$12.581)	(\$12.285)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(\$57.363)
2	7/1/1999 Filing Adjustment	0.216	0.440	0.430	0.420	0.410	-	-	-	-	-	-	1.916
3	1/1/2000 Divestiture Revision		0.194	0.190	0.186	0.181	-	-	-	-	-	-	0.751
4	2/1/2000 ROE Adjustment		0.239	0.258	0.252	0.246	-	-	-	-	-	-	0.995
5													
6	Total Residual Value Debit	<u>(\$6.233)</u>	<u>(\$12.299)</u>	<u>(\$11.998)</u>	<u>(\$11.723)</u>	<u>(\$11.448)</u>	<u>\$0.000</u>	<u>\$0.000</u>	<u>\$0.000</u>	<u>\$0.000</u>	<u>\$0.000</u>	<u>\$0.000</u>	<u>(\$53.701)</u>

Commonwealth Electric Company
Calculation of Residual Value Debit - Pilgrim Buyout (Initial Filing)
\$ in Millions

Line			7/1/1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total
1	Gross Proceeds (Net of Transaction Costs)	(\$108.587)												
2														
3	Tax Basis @ 7/1/1999	0.000												
4														
5	Excess Proceeds vs. Tax	(108.587)												
6	Combined Federal and State Tax Rate	39.225%												
7	Deferred Taxes on Difference	(42.593)												
8														
9	Beginning Plant Balance		(108.587)	(103.651)	(93.286)	(82.921)	(72.556)	-	-	-	-	-	-	
10	Required Amortization		(4.936)	(10.365)	(10.365)	(10.365)	(10.365)	-	-	-	-	-	-	(46.396)
11	Ending Plant Balance		(103.651)	(93.286)	(82.921)	(72.556)	(62.191)	-	-	-	-	-	-	
12	E.I.S. Closing at December 31, 2003						62.191							
13	Revised Ending Plant Balance						-							
14														
15	Beginning Accumulated Deferred Tax Balance		42.593	40.657	36.591	32.525	28.459	-	-	-	-	-	-	
16	Deferred Tax Provision		1.936	4.066	4.066	4.066	4.066	-	-	-	-	-	-	18.200
17	Ending Accumulated Deferred Tax Balance		40.657	36.591	32.525	28.459	24.393	-	-	-	-	-	-	
18	E.I.S. Closing at December 31, 2003						(24.393)							
19	Revised Ending Acc. Deferred Tax Balance						-							
20														
21	Beginning Plant (Net of Deferred Taxes)		(65.994)	(62.994)	(56.695)	(50.396)	(44.097)	-	-	-	-	-	-	
22	Ending Plant (Net of Deferred Taxes)		(62.994)	(56.695)	(50.396)	(44.097)	(37.798)	-	-	-	-	-	-	
23	Average Plant		(64.494)	(59.845)	(53.546)	(47.247)	(40.948)	-	-	-	-	-	-	
24	Return @ BTWACC	4.69%	(1.513)	(2.807)	(2.511)	(2.216)	(1.920)	-	-	-	-	-	-	
25														
26														
27														
28	Transfer @ 7/1/1999													
29														
30	Return of Investment		(4.936)	(10.365)	(10.365)	(10.365)	(10.365)	-	-	-	-	-	-	
31	Return on Investment		(1.513)	(2.807)	(2.511)	(2.216)	(1.920)	-	-	-	-	-	-	
32														
33	Total Investment		(6.449)	(13.172)	(12.876)	(12.581)	(12.285)	-	-	-	-	-	-	

Commonwealth Electric Company
Calculation of Residual Value Debit - Pilgrim Buyout (Filing Adjustment)
\$ in Millions

Line		7/1/1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total
1	Gross Proceeds (Net of Transaction Costs)	\$3.625											
2													
3	Tax Basis @ 7/1/1999	0.000											
4													
5	Excess Proceeds vs. Tax	3.625											
6	Combined Federal and State Tax Rate	39.225%											
7	Deferred Taxes on Difference	1.422											
8													
9	Beginning Plant Balance	3.625	3.460	3.114	2.768	2.422	-	-	-	-	-	-	
10	Required Amortization	0.165	0.346	0.346	0.346	0.346	-	-	-	-	-	-	1.549
11	Ending Plant Balance	3.460	3.114	2.768	2.422	2.076	-	-	-	-	-	-	
12	E.I.S. Closing at December 31, 2003					(2.076)							
13	Revised Ending Plant Balance					-							
14													
15	Beginning Accumulated Deferred Tax Balance	(1.422)	(1.357)	(1.221)	(1.085)	(0.949)	-	-	-	-	-	-	
16	Deferred Tax Provision	(0.065)	(0.136)	(0.136)	(0.136)	(0.136)	-	-	-	-	-	-	(0.609)
17	Ending Accumulated Deferred Tax Balance	(1.357)	(1.221)	(1.085)	(0.949)	(0.813)	-	-	-	-	-	-	
18	E.I.S. Closing at December 31, 2003					0.813							
19	Revised Ending Acc. Deferred Tax Balance					-							
20													
21	Beginning Plant (Net of Deferred Taxes)	2.203	2.103	1.893	1.683	1.473	-	-	-	-	-	-	
22	Ending Plant (Net of Deferred Taxes)	2.103	1.893	1.683	1.473	1.263	-	-	-	-	-	-	
23	Average Plant	2.153	1.998	1.788	1.578	1.368	-	-	-	-	-	-	
24	Return @ BTWACC	4.69%	0.051	0.094	0.084	0.074	-	-	-	-	-	-	
25													
26													
27													
28	Transfer @ 7/1/1999												
29													
30	Return of Investment	0.165	0.346	0.346	0.346	0.346	-	-	-	-	-	-	
31	Return on Investment	0.051	0.094	0.084	0.074	0.064	-	-	-	-	-	-	
32													
33	Total Investment	0.216	0.440	0.430	0.420	0.410	-	-	-	-	-	-	

Commonwealth Electric Company
Calculation of Residual Value Debit - Pilgrim Buyout (Divestiture Revision)
\$ in Millions

Line			1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total
1	Gross Proceeds (Net of Transaction Costs)	\$1.529												
2														
3	Tax Basis @ 1/1/2000	0.000												
4														
5	Excess Proceeds vs. Tax	1.529												
6	Combined Federal and State Tax Rate	39.225%												
7	Deferred Taxes on Difference	0.600												
8														
9	Beginning Plant Balance		0.000	1.529	1.376	1.223	1.070	-	-	-	-	-	-	
10	Required Amortization		0.000	0.153	0.153	0.153	0.153	-	-	-	-	-	-	0.612
11	Ending Plant Balance		0.000	1.376	1.223	1.070	0.917	-	-	-	-	-	-	
12	E.I.S. Closing at December 31, 2003						(0.917)							
13	Revised Ending Plant Balance						-							
14														
15	Beginning Accumulated Deferred Tax Balance		0.000	(0.600)	(0.540)	(0.480)	(0.420)	-	-	-	-	-	-	
16	Deferred Tax Provision		0.000	(0.060)	(0.060)	(0.060)	(0.060)	-	-	-	-	-	-	(0.240)
17	Ending Accumulated Deferred Tax Balance		0.000	(0.540)	(0.480)	(0.420)	(0.360)	-	-	-	-	-	-	
18	E.I.S. Closing at December 31, 2003						0.360							
19	Revised Ending Acc. Deferred Tax Balance						-							
20														
21	Beginning Plant (Net of Deferred Taxes)		0.000	0.929	0.836	0.743	0.650	-	-	-	-	-	-	
22	Ending Plant (Net of Deferred Taxes)		0.000	0.836	0.743	0.650	0.557	-	-	-	-	-	-	
23	Average Plant		0.000	0.883	0.790	0.697	0.604	-	-	-	-	-	-	
24	Return @ BTWACC	4.69%	0.000	0.041	0.037	0.033	0.028	-	-	-	-	-	-	
25														
26														
27														
28	Transfer @ 1/1/2000													
29														
30	Return of Investment		0.000	0.153	0.153	0.153	0.153	-	-	-	-	-	-	
31	Return on Investment		0.000	0.041	0.037	0.033	0.028	-	-	-	-	-	-	
32														
33	Total Investment		0.000	0.194	0.190	0.186	0.181	-	-	-	-	-	-	

Commonwealth Electric Company
Calculation of Residual Value Debit - Pilgrim Buyout (ROE Adjustment)
\$ in Millions

Line			1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total
1	Gross Proceeds (Net of Transaction Costs)	\$2.056												
2														
3	Tax Basis @ 2/1/2000	<u>0.000</u>												
4														
5	Excess Proceeds vs. Tax	<u>2.056</u>												
6	Combined Federal and State Tax Rate	39.225%												
7	Deferred Taxes on Difference	<u>0.806</u>												
8														
9	Beginning Plant Balance		0.000	2.056	1.868	1.660	1.452	-	-	-	-	-	-	
10	Required Amortization		<u>0.000</u>	<u>0.188</u>	<u>0.208</u>	<u>0.208</u>	<u>0.208</u>	-	-	-	-	-	-	0.812
11	Ending Plant Balance		0.000	1.868	1.660	1.452	1.244	-	-	-	-	-	-	
12	E.I.S. Closing at December 31, 2003						(1.244)							
13	Revised Ending Plant Balance						-							
14														
15	Beginning Accumulated Deferred Tax Balance		0.000	(0.806)	(0.732)	(0.651)	(0.570)	-	-	-	-	-	-	
16	Deferred Tax Provision		<u>0.000</u>	<u>(0.074)</u>	<u>(0.081)</u>	<u>(0.081)</u>	<u>(0.081)</u>	-	-	-	-	-	-	(0.317)
17	Ending Accumulated Deferred Tax Balance		0.000	(0.732)	(0.651)	(0.570)	(0.489)	-	-	-	-	-	-	
18	E.I.S. Closing at December 31, 2003						0.489							
19	Revised Ending Acc. Deferred Tax Balance						-							
20														
21	Beginning Plant (Net of Deferred Taxes)		0.000	1.250	1.136	1.009	0.882	-	-	-	-	-	-	
22	Ending Plant (Net of Deferred Taxes)		<u>0.000</u>	<u>1.136</u>	<u>1.009</u>	<u>0.882</u>	<u>0.755</u>	-	-	-	-	-	-	
23	Average Plant		0.000	1.193	1.073	0.946	0.819	-	-	-	-	-	-	
24	Return @ BTWACC	4.69%	0.000	0.051	0.050	0.044	0.038	-	-	-	-	-	-	
25														
26														
27														
28	Transfer @ 2/1/2000													
29														
30	Return of Investment		0.000	0.188	0.208	0.208	0.208	-	-	-	-	-	-	
31	Return on Investment		<u>0.000</u>	<u>0.051</u>	<u>0.050</u>	<u>0.044</u>	<u>0.038</u>	-	-	-	-	-	-	
32														
33	Total Investment		<u>0.000</u>	<u>0.239</u>	<u>0.258</u>	<u>0.252</u>	<u>0.246</u>	-	-	-	-	-	-	

Commonwealth Electric Company
Calculation of Residual Value Debit - PREA Buyout
\$ in Millions

Line		2/1/1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total
1	Gross Proceeds (Net of Transaction Costs)	(\$2.285)											
2													
3	Tax Basis @ 2/1/1999	0.000											
4													
5	Excess Proceeds vs. Tax	(2.285)											
6	Combined Federal and State Tax Rate	39.225%											
7	Deferred Taxes on Difference	(0.896)											
8													
9	Beginning Plant Balance	(2.285)	(2.095)	(1.885)	(1.675)	(1.465)	-	-	-	-	-	-	
10	Required Amortization	(0.190)	(0.210)	(0.210)	(0.210)	(0.210)	-	-	-	-	-	-	(1.030)
11	Ending Plant Balance	(2.095)	(1.885)	(1.675)	(1.465)	(1.255)	-	-	-	-	-	-	
12	E.I.S. Closing at December 31, 2003					1.255							
13	Revised Ending Plant Balance					-							
14													
15	Beginning Accumulated Deferred Tax Balance	0.896	0.855	0.769	0.683	0.597	-	-	-	-	-	-	
16	Deferred Tax Provision	0.041	0.086	0.086	0.086	0.086	-	-	-	-	-	-	0.385
17	Ending Accumulated Deferred Tax Balance	0.855	0.769	0.683	0.597	0.511	-	-	-	-	-	-	
18	E.I.S. Closing at December 31, 2003					(0.511)							
19	Revised Ending Acc. Deferred Tax Balance					-							
20													
21	Beginning Plant (Net of Deferred Taxes)	(1.389)	(1.240)	(1.116)	(0.992)	(0.868)	-	-	-	-	-	-	
22	Ending Plant (Net of Deferred Taxes)	(1.240)	(1.116)	(0.992)	(0.868)	(0.744)	-	-	-	-	-	-	
23	Average Plant	(1.315)	(1.178)	(1.054)	(0.930)	(0.806)	-	-	-	-	-	-	
24	Return @ BTWACC	4.69%	(0.057)	(0.055)	(0.049)	(0.044)	-	-	-	-	-	-	
25													
26													
27													
28	Transfer @ 2/1/1999												
29													
30	Return of Investment	(0.190)	(0.210)	(0.210)	(0.210)	(0.210)	-	-	-	-	-	-	
31	Return on Investment	(0.057)	(0.055)	(0.049)	(0.044)	(0.038)	-	-	-	-	-	-	
32													
33	Total Investment	(0.247)	(0.265)	(0.259)	(0.254)	(0.248)	-	-	-	-	-	-	

Commonwealth Electric Company
Calculation of Residual Value Debit - Seabrook Buydown
\$ in Millions

Line		1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total
1	Gross Proceeds (Net of Transaction Costs)	(\$113.365)											
2													
3	Tax Basis @ 11/1/2000	0.000											
4													
5	Excess Proceeds vs. Tax	(113.365)											
6	Combined Federal and State Tax Rate	39.225%											
7	Deferred Taxes on Difference	(44.467)											
8													
9	Beginning Plant Balance	0.000	(113.365)	(111.475)	(99.089)	(86.703)	-	-	-	-	-	-	
10	Required Amortization	0.000	(1.890)	(12.386)	(12.386)	(12.386)	-	-	-	-	-	-	(39.048)
11	Ending Plant Balance	0.000	(111.475)	(99.089)	(86.703)	(74.317)	-	-	-	-	-	-	
12	E.I.S. Closing at December 31, 2003					74.317							
13	Revised Ending Plant Balance					-							
14													
15	Beginning Accumulated Deferred Tax Balance	0.000	44.467	43.726	38.868	34.010	-	-	-	-	-	-	
16	Deferred Tax Provision	0.000	0.741	4.858	4.858	4.858	-	-	-	-	-	-	15.315
17	Ending Accumulated Deferred Tax Balance	0.000	43.726	38.868	34.010	29.152	-	-	-	-	-	-	
18	E.I.S. Closing at December 31, 2003					(29.152)							
19	Revised Ending Acc. Deferred Tax Balance					-							
20													
21	Beginning Plant (Net of Deferred Taxes)	0.000	(68.898)	(67.749)	(60.221)	(52.693)	-	-	-	-	-	-	
22	Ending Plant (Net of Deferred Taxes)	0.000	(67.749)	(60.221)	(52.693)	(45.165)	-	-	-	-	-	-	
23	Average Plant	0.000	(68.324)	(63.985)	(56.457)	(48.929)	-	-	-	-	-	-	
24	Return @ BTWACC	4.69%	0.000	(0.534)	(3.001)	(2.648)	(2.295)	-	-	-	-	-	
25													
26													
27													
28	Transfer @ 11/1/2000												
29													
30	Return of Investment	0.000	(1.890)	(12.386)	(12.386)	(12.386)	-	-	-	-	-	-	
31	Return on Investment	0.000	(0.534)	(3.001)	(2.648)	(2.295)	-	-	-	-	-	-	
32													
33	Total Investment	0.000	(2.424)	(15.387)	(15.034)	(14.681)	-	-	-	-	-	-	

Commonwealth Electric Company
Calculation of Residual Value Debit - Transfer of Regulatory Assets
\$ in Millions

Line		1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total
1	Gross Proceeds (Net of Transaction Costs)	(\$56.144)											
2													
3	Tax Basis @ 7/1/1999	(8.365)											
4													
5	Excess Proceeds vs. Tax	(47.779)											
6	Combined Federal and State Tax Rate	39.225%											
7	Deferred Taxes on Difference	(18.741)											
8													
9	Beginning Plant Balance	(56.144)	(53.592)	(48.233)	(42.874)	(37.515)	-	-	-	-	-	-	
10	Required Amortization	(2.552)	(5.359)	(5.359)	(5.359)	(5.359)	-	-	-	-	-	-	(23.988)
11	Ending Plant Balance	(53.592)	(48.233)	(42.874)	(37.515)	(32.156)	-	-	-	-	-	-	
12	E.I.S. Closing at December 31, 2003					32.156							
13	Revised Ending Plant Balance					-							
14													
15	Beginning Accumulated Deferred Tax Balance	18.741	17.889	16.100	14.311	12.522	-	-	-	-	-	-	
16	Deferred Tax Provision	0.852	1.789	1.789	1.789	1.789	-	-	-	-	-	-	8.008
17	Ending Accumulated Deferred Tax Balance	17.889	16.100	14.311	12.522	10.733	-	-	-	-	-	-	
18	E.I.S. Closing at December 31, 2003					(10.733)							
19	Revised Ending Acc. Deferred Tax Balance					-							
20													
21	Beginning Plant (Net of Deferred Taxes)	(37.403)	(35.703)	(32.133)	(28.563)	(24.993)	-	-	-	-	-	-	
22	Ending Plant (Net of Deferred Taxes)	(35.703)	(32.133)	(28.563)	(24.993)	(21.423)	-	-	-	-	-	-	
23	Average Plant	(36.553)	(33.918)	(30.348)	(26.778)	(23.208)	-	-	-	-	-	-	
24	Return @ BTWACC	4.69%	(0.857)	(1.591)	(1.423)	(1.088)	-	-	-	-	-	-	
25													
26													
27													
28	Transfer @ 7/1/1999												
29													
30	Return of Investment	(2.552)	(5.359)	(5.359)	(5.359)	(5.359)	-	-	-	-	-	-	
31	Return on Investment	(0.857)	(1.591)	(1.423)	(1.256)	(1.088)	-	-	-	-	-	-	
32													
33	Total Investment	(3.409)	(6.950)	(6.782)	(6.615)	(6.447)	-	-	-	-	-	-	